RAYMOND APPAREL LIMITED

ANNUAL REPORT 2021-22

BOARD OF DIRECTORS	:	SHRI GAUTAM HARI SINGHANIA SHRI GAUTAM TRIVEDI SHRI MAHENDRA DOSHI *(RE-APPOINTED FOR 2^{ND} TERM W.E.F. NOVEMBER 24, 2021)* SHRI DINESH LAL MS. ANSHU SARIN *(RE-APPOINTED FOR 2^{ND} TERM W.E.F. NOVEMBER 24, 2021)*
COMPANY SECRETARY	:	SMT. PRITI ALKARI
STATUTORY AUDITORS	:	MESSRS. CHATURVEDI & SHAH LLP, CHARTERED ACCOUNTANTS
SECRETARIAL AUDITOR	:	MESSRS. ROBERT PAVREY & ASSOCIATES
INTERNAL AUDITORS	:	MESSRS. ERNST & YOUNG, CHARTERED ACCOUNTANTS LLP
REGISTERED OFFICE	:	JEKEGRAM, POKHRAN ROAD NO.1, THANE – 400606 MAHARASHTRA

RAYMOND APPAREL LIMITED
CIN: U18109MH2006PLC262077

Board's Report

To
The Members,

Your Directors are pleased to present the Sixteenth Annual Report together with the Audited Financial Statement of Accounts for the Financial Year ended March 31, 2022.

1. FINANCIAL SUMMARY OF THE COMPANY (STANDALONE)

The Gross Revenue of the Company for FY 2022 stood at Rs. Nil (Previous Year: Rs. 437.64 Crore). The Company incurred Loss of Rs. 26.99 Crore (Previous Year Loss: Rs. 180.31 Crore).

2. DIVIDEND

In view of the loss incurred during the year under review, no dividend has been recommended.

3. RESERVES

Your Company has not transferred any amount to the General Reserve of the Company.

4. SCHEME OF ARRANGEMENT

With an intent to simplify the business structure, the Board of Directors had approved a Scheme of Arrangement between Raymond Limited and Raymond Apparel Limited and their respective Shareholders pursuant to Section 230 and 232 of the Companies Act, 2013, for demerger of Business undertaking (B2C business) of the Company into Raymond Limited to achieve synergies thereby creating a focused B2C business.

The Mumbai Bench of National Company Law Tribunal ("NCLT") has vide its order dated March 23, 2022 ("the Order") approved Scheme of Arrangement. Necessary actions arising out of the NCLT order have been duly implemented.

5. AUDITORS

(a) Statutory Audit

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and the Rules made thereunder the term of office of Messrs. Chaturvedi & Shah LLP as the Statutory Auditors of the Company will conclude from the close of ensuing Annual General Meeting of the Company and are eligible for re-appointment. Since they have conveyed their unwillingness for being re-appointed as Statutory Auditors, the Board of Directors of the Company has recommended to appoint Messrs MGM & Company, Chartered Accountants (ICAI Firm Registration Number 117963W), as Statutory Auditors of the Company for a term of five years according to Section 139 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no audit qualification in the financial statements by the statutory auditors for the year under review.

(b) Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Robert Pavrey & Associates, a firm of Company Secretaries in Practice (C.P.No.1848) to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as "Annexure A" and forms an integral part of this Report.

There have been no qualification(s), reservation(s), or adverse remark(s) or disclaimer(s) made in the Secretarial Audit Report by the Secretarial Auditor for the financial year 2021-22.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new / revised standard operating procedures.

The Company had entrusted the internal and operational audit to M/s Mahajan & Aibara Chartered Accountants LLP upto Quarter ending June 30, 2021 and then appointed Messrs. Ernst & Young LLP, a reputed firm of Chartered Accountants for the period July 1, 2021 to March 31, 2022. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken.

7. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2022 was Rs.2.48 crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

8. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, form part of the notes to the Financial Statements.

10. DIRECTORS AND THEIR MEETINGS

A. DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Gautam Trivedi (DIN: 02647162), Director retires by rotation at the forthcoming AGM and being eligible offers himself for re-appointment.

The Board of Directors on recommendation of Nomination and Remuneration Committee re-appointed Shri Mahendra V. Doshi (DIN: 00123243) and Ms. Anshu Sarin (DIN: 07101558) as an Independent Director of the Company with effect from November 24, 2021 to hold office for a second term of 5 (five) consecutive years.

Shri I.D. Agarwal (DIN: 00293784) completed his term as an Independent Director on November 23, 2021 and retired due to expiration of term. The Board places on record its sincere and deep appreciation for the services rendered by Shri I.D. Agarwal during his tenure as the Independent Director and Member of various committees of the Board of Directors of the Company.

During the year, six Board meetings were held on May 05, 2021, July 28, 2021, September 27, 2021, October 25, 2021, January 19, 2022 and February 14, 2022.

Sr. No	Name of Director	Date of Board Meeting					
		05.05.2021	28.07.2021	27.09.2021	25.10.2021	19.01.2022	14.02.2022
1	Shri Gautam Hari Singhania	√	LOA	√	√	√	√
2	Shri I.D. Agarwal[1]	√	√	√	√	NA	NA
3	Smt. Anshu Sarin	√	√	√	√	√	√
4	Shri Gautam Trivedi	√	√	√	√	√	√
5	Shri Mahendra V. Doshi	√	√	√	√	√	√
6	Shri Dinesh Lal	√	√	√	√	√	√

1. Shri I.D. Agarwal completed his term as an Independent Director on November 23, 2021.

B. DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

The Ministry of Corporate Affairs ("MCA") vide Notification Number G.S.R. 804(E) dated October 22, 2019 and effective from December 01, 2019 has introduced an amendment relating to inclusion of names of Independent Directors in the Data Bank maintained by Institute of Corporate Affairs and appearing for an online exam. All Independent Directors of your Company are registered with IICA.

C. KEY MANAGERIAL PERSONNEL (KMP)

As on March 31, 2022, your Company has the following KMP:

Sr. No.	Name of the Person	Designation	Date of Appointment
1.	Smt. Priti Alkari	Company Secretary	February 15, 2011

D. ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

11. COMMITTEES OF THE BOARD

With a view to have a more focused attention on the business and for better governance and accountability, the Board constituted the following mandatory committees:

Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rule, 2014, the Audit Committee has been constituted.

The Composition of the Committee is as under:

1. Shri Mahendra Doshi, Chairman - Independent Director
2. Shri Dinesh Lal, Member - Independent Director
3. Shri Gautam Trivedi, Member - Non-Executive Director

The terms of reference of the Committee are determined by the Board and their relevance reviewed from time to time.

During the year, six Audit Committee meetings were held on May 05, 2021, July 28, 2021, September 27, 2021, October 25, 2021, January 19, 2022 and February 14, 2022.

Attendance of Directors at the Audit Committee Meetings is given below:

Sr. No.	Name of Director	Date of Meeting					
		05.05.2021	28.07.2021	27.09.2021	25.10.2021	19.01.2022	14.02.2022
1	Shri Mahendra Doshi	√	√	√	√	√	√
2	Shri Gautam Trivedi[2]	NA	NA	NA	NA	√	√
3	Shri I.D. Agarwal[1]	√	√	√	√	NA	NA
4	Shri Dinesh Lal	√	√	√	√	√	√

1. Shri I.D. Agarwal completed his term as an Independent Director on November 23, 2021.
2. Shri Gautam Trivedi was inducted as member in Audit Committee w.e.f November 24, 2021.

Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Board of Directors has constituted the Nomination and Remuneration Committee and framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

The Composition of the Committee is as under:

1. Shri Dinesh Lal, Chairman - Independent Director
2. Shri Gautam Trivedi, Member - Non-executive Director
3. Shri Mahendra V. Doshi, Member - Independent Director

The terms of reference of Nomination and Remuneration Committee are as under:

1. to help in determining the appropriate size, diversity and composition of the Board;
2. to recommend to the Board appointment/re-appointment and removal of Directors;
3. to frame criteria for determining qualifications, positive attributes and independence of Directors;
4. to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
5. to create an evaluation framework for Independent Directors and the Board;
6. to assist the Board in fulfilling responsibilities entrusted from time-to-time;
7. delegation of any of its powers to any Member of the Committee or the Company Secretary.

During the year, 1 meeting of Nomination and Remuneration Committee was held on May 05, 2021.

Attendance of Directors at the Nomination and Remuneration Committee Meeting is given below:

Sr. No.	Name of Director	Date of Meeting
		05.05.2021
1	Shri I.D. Agarwal [1]	√
2	Shri Gautam Trivedi	√
3	Shri Mahendra Doshi	√
4	Shri Dinesh Lal[2]	NA

1. Shri I.D. Agarwal completed his term as an Independent Director on November 23, 2021.
2. Shri Dinesh Lal was inducted as member in Nomination and Remuneration Committee w.e.f November 24, 2021.

Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors of the Company constituted the Corporate Social Responsibility (CSR) Committee**.** During the year under review, Company was not required to spend any amount as CSR Expenditure, as per the provisions of Section 135 (5) of the Companies Act, 2013.

The CSR policy is displayed on the webpage of the Company. The link is http://www.raymond.in/grp_ral.asp#.WSVJGWiGPIU.

The Composition of the Committee is as under:

1. Ms. Anshu Sarin, Chairperson	- Independent Director
2. Shri Mahendra V. Doshi, Member	- Independent Director
3. Shri Dinesh Lal, Member	- Independent Director

The terms of reference of Corporate Social Responsibility Committee are as under:

a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
c. To monitor the CSR Policy of the Company from time to time;
d. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

During the year, no meeting of CSR Committee was held.

Committee of Directors

Pursuant to the provisions of Companies Act, 2013, the Board constituted a Committee of Board of Directors of the Company.

The Composition of the Committee is as under:

1. Shri Gautam Hari Singhania, Chairman	- Non-Executive Director
2. Shri Gautam Trivedi, Member	- Non-Executive Director
3. Ms. Anshu Sarin, Member	- Independent Director

The terms of reference of Committee of Directors are as under:

1. Approval of transfer of shares/debentures and issue of duplicate/split/consolidation /sub-division of share/debenture certificates;
2. Opening/modification of operation and closing of Bank Accounts;
3. To change the signatories for availment of various facility from Banks/Financial Institution;
4. To grant authority to execute and sign Foreign Exchange Contracts and Derivative Transactions;
5. Grant of Special/General Power of Attorney in favour of employees of the Company from time to time in connection with the conduct of the business of the Company particularly with Government and Quasi-Government Institutions;
6. To appoint representatives to attend the General Meetings of other companies in which the Company is holding shares;
7. To carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to-time.

During the year, one meeting of Committee of Board was held on June 25, 2021.

Attendance of Directors at the Committee of Board is given below:

Sr. No.	Name of Director	Date of Meeting
		25.06.2021
1	Shri Gautam Hari Singhania	√
2	Ms. Anshu Sarin	√
3	Shri Gautam Trivedi	√

12. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Pursuant to Section 177(9) of the Companies Act, 2013, your company has formulated the Vigil Mechanism / Whistle Blower policy to report genuine concerns. The policy is displayed on the webpage of the Company at http://www.raymond.in/.

13. RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus, disclosure in form AOC - 2 is not required. The Company has developed a Related Party Transactions framework and Standard Operating Procedures for purpose of identification and monitoring of such transactions.

14. RISK MANAGEMENT POLICY

The Company is exposed to risks from market fluctuations of foreign exchange, interest rates, commodity prices, business risks, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the risks.

15. DIRECTORS RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a. that in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b. that the directors have 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 as at March 31, 2022 and loss of the Company for the year ended on that date;
c. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. that the directors have prepared the annual accounts on a going concern basis; and
e. that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed herewith as **"Annexure B"** to this Report.

17. ANNUAL RETURN

The Company does not have a website of its own and therefore, the requirement is not applicable.

18. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l) of the Companies Act, 2013, there are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

19. PARTICULARS OF EMPLOYEES

Since your company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2022 is not applicable.

20. EMPLOYEE STOCK OPTION PLAN

During the year, the Board of Directors at its meeting held on January 19, 2022 based on the recommendation by the Nomination and Remuneration Committee has terminated the existing Raymond Apparel Limited - Employee Stock Options Plan 2018 ("RAL ESOP2018").

21. STATUTORY DISCLOSURES

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

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the Rules made thereunder, the Company has formulated and implemented a policy on prevention of sexual harassment at Workplace with a mechanism of lodging complaints, redressal is placed on the intranet for the benefit of its employees. There was NIL complaint received on sexual harassment during the year.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, a Statutory Body.

REPORTING OF FRAUDS

There was no instance of fraud during the year under review which required the Statutory Auditors to report to the Audit Committee and/or Board under section 143(12) of the Companies Act, 2013 and the Rules framed thereunder.

22. ACKNOWLEDGEMENT

The Board records its appreciations for the co-operation, support and valuable guidance received from Banks, Central and State Government Authorities.

For and on behalf of the Board of
RAYMOND APPAREL LIMITED

Gautam Hari Singhania	**Mahendra Doshi**
Director	**Director**
DIN: 00020088	**DIN: 00123243**

Place: Mumbai
Date: May 14, 2022

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Raymond Apparel Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Raymond Apparel Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 ("**Audit Period**") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of :

(i) The Companies Act, 2013 ('Act') and rules made thereunder; and
(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, there were no events/ actions in pursuance of:

(i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(ii) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(iii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
(iv) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
(vi) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(vii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
(viii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
(ix) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

requiring compliance thereof by the Company during the Audit Period.

We report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

(i) Competition Act, 2002;
(ii) Consumer Protection Act, 1986; and
(iii) The Legal Metrology Act, 2009.

We have relied on the representations made by the Company, its officers and reports of the statutory auditors for the systems and mechanism framed by the Company for compliances under other Acts, laws and regulations applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of executive directors, non-executive directors and independent directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the respective meetings of the Board or Committee thereof.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the Audit Period, the following event occurred which had a bearing on the Company’s affairs in pursuance of the above referred laws, rules, regulations and guidelines.

- Regularization of Shri. Dinesh Lal from Additional Independent Director to Independent Director.
- Appointment of Shri. Gautam Trivedi as a non-executive director of the Company, liable to retire by rotation.
- Re-appointment of Shri Mahendra V. Doshi as an Independent Director of the Company.
- Re-appointment of Ms. Anshu Sarin as an Independent Director of the Company.
- Reclassification and increase in authorised share capital and alteration of the Memorandum of Association of the Company.
- Adoption of new set of articles contained in the Articles of Association of the Company.

For **ROBERT PAVREY& ASSOCIATES**
Company Secretaries

Place: Mumbai
Dated: May 13, 2022

ROBERT PAVREY
Proprietor
FCS 2928 CP. No. : 1848
UDIN: F002928D000317321

This report is to be read with Annexure A which forms an integral part of this report.

Annexure A

To,
The Members
Raymond Apparel Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Whereever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **ROBERT PAVREY& ASSOCIATES**
Company Secretaries

Place: Mumbai
Dated: May 13, 2022

ROBERT PAVREY
Proprietor
FCS 2928 CP. No. : 1848
UDIN: F002928D000317321

Annexure B

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

(Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

(A)	**Conservation of energy-**	
(i)	the steps taken to conserve energy;	• Reduction of per unit consumption through converting existing CDMT bulbs into LED bulbs thereby reducing Carbon footprint significantly. • Installation of latest energy saving equipments with 5 star ratings. • Improving the efficiency of Air conditioners by injecting effluent treatment fluid. • Regular maintenance backed with breakdown and preventive maintenance schedules.
(ii)	the steps taken by the company for utilizing alternate sources of energy;	There was no alternate source of energy used during the period under review.
(iii)	the capital investment on energy conservation equipment's;	The Company has invested NIL amount on energy conversation equipment's.
(B)	**Technology absorption-**	
(i)	the efforts made towards technology absorption;	Due to impact of Covid-19 pandemics no action taken.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	• Improvement in quality • Some of the embellishments previously procured from overseas sources now locally developed.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Not applicable
(a)	the details of technology imported;	
(b)	the year of import;	
(c)	whether the technology been fully absorbed;	
(d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	
(iv)	the expenditure incurred on Research and Development	There were no expenditure incurred on research and development. However the Company has on an ongoing basis has qualified designers and technicians who develop new innovative design and products.
(C)	**Foreign exchange earnings and Outgo –**	
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	During the year foreign exchange earnings was ₹ NIL (Previous Year: ₹ 2.77 crore). The Foreign Exchange outgo during the year was ₹ NIL (previous year ₹ 18.66 crore).

INDEPENDENT AUDITOR'S REPORT

To the Members of Raymond Apparel Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Raymond Apparel Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, and the Statement of Profit and Loss, Statement of Changes in Equity and 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.

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 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its loss (including other comprehensive income) , its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note No. 44 of the financial statement which states that after demerger of the demerged undertaking, the net worth of the Company has been fully eroded, liabilities are more than assets as on 31st March, 2022, there exist material uncertainty related to going concern. The Company intends to allot the shares against this Inter Corporate Deposit (treated as quasi equity as per approved scheme of amalgamation) and subsequent to year end the company already increased the authorised share capital and Raymond Limited has given its consent to convert this quasi equity into equity share, in view of the above the these financial results have been prepared on the basis that the Company will continue as a going concern.
Our opinion is not modified in respect of above matter.

Empahsis of Matter Paragraph

As mentioned in Note no.43 to the accompanying statement, regarding accounting of the scheme from the appointed date being 1st April 2021 as approved by the National Company Law Tribunal.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibility of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 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 statement 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.

The 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 scepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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.

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provide for any remuneration to its directors during the year.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has no pending litigations as on March 31, 2022

b. The Company has no long-term contracts including derivative contracts outstanding as on March 31, 2022

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

d. (a) Management has represented to us that , to the best of its knowledge and belief , and as disclosed in the notes to the accounts 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, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) Management has represented to us that, to the best of its knowledge and belief, and as disclosed in the notes to the account no funds have been received by the company from any person(s) or entity(is), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(c) based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances , nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2) (h) (iv) (a) & (b) contain any material misstatement.

e. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 22103418AJXMGC9788

Place: Mumbai
Date: 14 May 2022

Annexure A to Independent Auditor's Report – March 31, 2022

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of Raymond Apparel Limited ('the Company') on the financial statements for the year ended March 31, 2022, we report the following:

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 intangible assets.

b) As explained to us, Property, Plant & Equipment were physically verified by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such physical verification.

c) According to the information and explanations given to us and the records examined by us the title Deeds of the Immovable properties as disclosed in Note 2 on property, plant and Equipment to the Financial statements, are held in the name of the Company.

d) According to information and explanations given to us and according to books of accounts and records examined by us, Company has not revalued its Property, Plant and Equipment, Right of Use assets and intangible assets during the year.

e) According to information & explanations and representation given to us by the management, no proceedings have been initiated or are pending against the Company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, reporting under Clause 3(i)(e) of the order is not applicable to the Company

ii. As explained to us and on the basis of the records examined by us, the Company does not hold any inventory after demerger of business undertaking (Refer Note 43 of Financials Statements) . Accordingly, clause 3(ii) of the Order is not applicable to the Company.

iii. In our opinion and according to the information and explanations provided to us, The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, The Company has not granted any loan or provided any guarantees or security to the parties covered under Section 185 of the Act and the company has not made investment hence, provision of Section 186 of the Act is not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from public and hence the directives issued by Reserve Bank of India and relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), the rules framed there under shall not apply. Accordingly, clause 3(v) of the Order is not applicable to the Company.

vi. According to the information and explanation given to us, pursuant to the rules made by The Central Government of India which does not specify the maintenance of cost record under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

vii. In respect of statutory dues:

(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute

viii. According to the information and explanations given to us and representation given to us by the management, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

ix.

(a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings to any lender or in the payment of interest thereon as based on the scheme of Arrangement (Refer Note No. 43 of Financial Statement) entire loan has been considered as Quasi Equity.

(b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) In our opinion and according to the information and explanations given to us, the Company has not taken any short-term loan. Hence reporting under clause 3(ix)(d) of the Order is not applicable.

(e) In our opinion and 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 subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x.

(a) During the year the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi.

(a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies 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 up to the date of this report.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year

xii. In our opinion and 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 to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with the companies (Indian Accounting Standards) Rules, 2015.Further, the Company is not required to constitute an Audit Committee Under section 177 of the Act, and Accordingly, to this extent, clause 3(xiii) of the Order is not applicable to the Company.

xiv. According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi.

a) To the best of our knowledge and according to the information and explanations provided to us , the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.

c) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) Based on the information and explanations given to us and as represented by the management of the Company, the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

xvii. The Company has incurred cash losses during the current financial year and immediately preceding financial year amounting to Rs 26.97 Crores and Rs 192.28 Crores respectively covered under our audit.

xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, reporting under clause 3(xviii) of the order is not applicable to the company.

xix. 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 and our knowledge of the Board of Directors and Management plans as stated in note 44 of the financial assets about going concern assumption 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 any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us, The Company does not fulfil the criteria as specified under section 135(1) of the Act read with the Companies

(Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.

xxi. The reporting under clause xxi is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 22103418AJXMGC9788

Place: Mumbai
Date: 14 May 2022

Annexure B to Independent Auditor's Report – March 31, 2022 on the Financial Statements of Raymond Apparel Limited

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

We have audited the internal financial controls with reference to financial statement of Raymond Apparel Limited ('the Company') as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 ("the 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") and the Standards on Auditing, issued by ICAI and 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 with reference to this financial statement and their operating effectiveness. Our audit of internal financial controls with reference to this financial statement included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the

assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting with reference to these 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 these 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 Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 22103418AJXMGC9788

Place: Mumbai
Date: 14 May 2022

Raymond Apparel Limited

Registered Office : Jekegram, Pokhran Road No.1, Thane - 400606 (Maharashtra)
CIN: U18109MH2006PLC262077
Balance Sheet as at March 31, 2022

(Rs. in lakhs, unless otherwise stated)

		Note	As at March 31, 2022	As at March 31, 2021
I	**ASSETS**			
1	**Non-current Assets**			
	a) Property, Plant & Equipment	2	**111.35**	1,184.72
	b) Capital work-in-progress	2	-	433.37
	c) Right-of-use assets	2.1	-	16,884.10
	d) Intangible assets	3	-	3.60
	e) Investment in subsidiary	4	-	-
	f) Financial assets			
	(i) Non - current investments	5	-	4,014.12
	(ii) Loans	6	-	1.15
	(iii) Others financial assets	7	-	2,574.26
	g) Deferred tax assets (net)	33	-	19,357.42
	h) Asset for income tax (net)		-	814.10
	i) Other Non-Current Assets	8	-	534.56
2	**Current assets**			
	a) Inventories	9	-	31,350.74
	b) Financial assets			
	(i) Trade receivables	10	-	34,651.54
	(ii) Cash and cash equivalents	11	**31.13**	2,869.77
	(iii) Loans	12	-	2.56
	(iv) Others financial asset	13	-	2,022.92
	c) Other current assets	14	-	13,759.48
	TOTAL ASSETS		**142.48**	**1,30,458.41**
II	**EQUITY AND LIABILITIES**			
1	**Equity**	15		
	a) Equity Share capital		**248.32**	248.32
	b) Other equity		**(60,065.56)**	(2,488.71)
2	**Liabilities**			
	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Lease liabilities	16	-	15,643.89
	(ii) Borrowings-Quasi Equity (Refer note 43)	17	**59,937.22**	4,967.00
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	18	-	52,174.61
	(ii) Lease Liabilities	19	-	7,120.92
	(iii) Trade payables	20		
	(A) total outstanding dues of micro & small enterprises		-	1,344.99
	(B) total outstanding dues of creditors other than micro & small enterprises		**22.00**	42,149.20
	(iv) Other financial liabilities	21	-	5,896.16
	(b) Other current liabilities	22	-	3,092.17
	(c) Short term provisions	23	**0.50**	309.86
	TOTAL EQUITY AND LIABILITIES		**142.48**	**1,30,458.41**

Statement of Significant Accounting Policies 1
The accompanying notes form an integral part of the Ind AS Financial Statements
As per our report of even date attached

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

For and on behalf of the Board of Directors

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: May 14, 2022

Gautam Hari Singhania
Director
DIN : 00020088
Place: Mumbai
Date: May 14, 2022

Mahendra Doshi
Director
DIN : 00123243
Place: Mumbai
Date: May 14, 2022

Priti Alkari
Company Secretary

Raymond Apparel Limited

Registered Office : Jekegram, Pokhran Road No.1, Thane - 400606 (Maharashtra)
CIN: U18109MH2006PLC262077

Statement of financial results for the period ended March 31, 2022

(Rs. in lakhs, unless otherwise stated)

Sr. no.	Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
I	**Income**			
	Revenue from Operations	24	-	43,764.31
	Other Income	25	-	7,664.05
	Total Income (I)		-	**51,428.36**
II	**Expenses**			
	Purchase of stock-in-trade	26	-	10,492.33
	Changes in inventories of finished goods, stock-in-trade and work-in progress	27	-	24,765.69
	Employee benefits	28	**7.20**	5,424.95
	Finance costs	29	**2,647.51**	8,110.71
	Depreciation and amortization expense	30	**1.68**	8,429.56
	Other Expenses	31		
	A) Manufacturing and Operating Costs		-	318.14
	B) Others		**42.41**	21,544.25
	Total expenses (II)		**2,698.80**	**79,085.63**
III	**Profit / (loss) before exceptional items and tax (I - II)**		**(2,698.80)**	**(27,657.27)**
IV	**Profit / (loss) before tax**		**(2,698.80)**	**(27,657.27)**
V	**Tax expense**	32		
	Current tax		-	-
	MAT credit availed/(utilised)		-	-
	Deferred tax charge/(credit)		-	(9,626.11)
VI	**Profit / (loss) for the period (IV - V)**		**(2,698.80)**	**(18,031.16)**
VII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Changes in fair value of FVOCI equity instruments		-	1,228.20
	Remeasurements of net defined benefit plan		-	67.06
	(ii) Income tax charge / (Credit) relating to items that will not be reclassified to profit or loss			
	Equity instruments through Other Comprehensive Income		-	143.06
	Remeasurements of net defined benefit plans		-	23.43
	Other Comprehensive Income for the period (i-ii)		-	**1,128.77**
VIII	**Total Comprehensive Income for the period (VI + VII)**		**(2,698.80)**	**(16,902.39)**
IX	**Earnings per equity share of Rs. 10 each:**			
	Basic earnings per share (Rs.)	47	(108.68)	(726.13)
	Diluted earnings per share (Rs.)	47	(108.68)	(723.88)

Statement of Significant Accounting Policies 1
The accompanying notes form an integral part of the Ind AS Financial Statements
As per our report of even date attached

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

For and on behalf of the Board of Directors

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: May 14, 2022

Gautam Hari Singhania
Director
DIN : 00020088
Place: Mumbai
Date: May 14, 2022

Mahendra Doshi
Director
DIN : 00123243
Place: Mumbai
Date: May 14, 2022

Priti Alkari
Company Secretary

Raymond Apparel Limited
Statement of Changes in Equity
A. Equity Share Capital

	Note	(Rs. in lakhs) Amount
Balance as at March 31, 2021	15	248.32
Balance as at March 31, 2022		248.32

Current Reporting Period- Year ended March 22

	As at 31st March, 2022	
	Number of shares	Amount
Equity Shares Capital :		
Balance as at the beginning of the current reporting year	24,83,200	**248.32**
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	24,83,200	248.32
Changes in equity share capital during the current year	-	-
Balance at the end of the current reporting period	24,83,200	248.32

Previous Reporting Period- Year ended March 21

	As at 31st March, 2021	
	Number of shares	Amount
Equity Shares Capital :		
Balance as at the beginning of the current reporting year	24,83,200	**248.32**
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	24,83,200	248.32
Changes in equity share capital during the current year	-	-
Balance at the end of the current reporting period	24,83,200	248.32

B. Other Equity

	Reserves and Surplus					Total
	Capital Reserve	Amalgamation Reserve	Securities Premium Reserve	General Reserves	Retained Earnings	
Balance as at March 31, 2020	**7,233.38**	**92.34**	**6,231.68**	**2,630.77**	**(1,774.49)**	**14,413.68**
Loss for the year	-	-	-	-	(18,031.16)	(18,031.16)
Other Comprehensive Income for the period	-	-	-	-	1,128.77	1,128.77
Total Comprehensive Income for the period	**-**	**-**	**-**	**-**	**(16,902.39)**	**(16,902.39)**
Balance as at March 31, 2021	**7,233.38**	**92.34**	**6,231.68**	**2,630.77**	**(18,676.88)**	**(2,488.71)**
Loss for the year	-	-	-	-	(2,698.80)	(2,698.80)
Reserve arisen on demerged undertaking (Refer note 43)	**(54,878.05)**	-	-	-	-	(54,878.05)
Total Comprehensive Income for the period	**(54,878.05)**	**-**	**-**	**-**	**(2,698.80)**	**(57,576.85)**
Balance as at March 31, 2022	**(47,644.67)**	**92.34**	**6,231.68**	**2,630.77**	**(21,375.68)**	**(60,065.56)**

Statement of Significant Accounting Policies **1**
The accompanying notes form an integral part of the Ind AS Financial Statements
As per our report of even date attached

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

For and on behalf of the Board of Directors

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Lalit R. Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: May 14, 2022

0
0
Place: Mumbai
Date: May 14, 2022

Mahendra Doshi
Director
DIN : 00123243
Place: Mumbai
Date: May 14, 2022

Priti Alkari
Company Secretary

Raymond Apparel Limited
Statement of Cash Flow

(Rs. in lakhs)

		Year ended March 31, 2022		Year ended March 31, 2021	
A	**Cash Flow from Operating Activities:**				
	Net Profit / (Loss) before Tax as per Statement of Profit and Loss		(2,698.80)		(27,657.27)
	Add/(Deduct)				
	a) Depreciation and Amortisation Expense	1.68		8,429.56	
	b) Finance cost	2,647.51		8,110.71	
	c) (Profit) / Loss on sale of Assets (Net)	-		485.97	
	d) Interest Income	-		(622.32)	
	e) Debit Balance Written-off / Bad-debts Written off	-		288.64	
	f) Provision for Expected Credit Loss	-		-	
	g) Provision for Doubtful debts and doubtful claims (Net)	-		(22.83)	
	h) Unrealised Loss on Foreign Currency Translation	-		14.32	
	i) Excess provision written back	-		(137.26)	
	j) Net Fair Value (Gain) /Loss (on account of fair valuation of deposits)	-		(345.52)	
	k) Other Non-operating income	-		(244.30)	
	l) Gain / (loss) from Remeasurement of net defined benefit plan	-		67.06	
	m) Dividend Incom	-		-	
	n) Gain on extinguishment of lease liability (net)	-		(3,054.52)	
	o) Gain on rent waiver	-		(3,591.33)	
			2,649.19		9,378.18
	Operating Profit before Working Capital changes		**(49.61)**		**(18,279.09)**
	Add/(Deduct)				
	a) (Increase)/Decrease in Inventories	-		24,704.69	
	b) (Increase)/Decrease in Trade and Other Receivables	-		10,521.54	
	c) Increase/(Decrease) in Trade and Other Payable	-		(14,102.82)	
			-		21,123.41
	Cash (outflow) / inflow from operations		**(49.61)**		**2,844.32**
	Deduct: Direct Taxes paid (net of refund)		-		717.94
	Net Cash (Outflow) / Inflow from Operating Activities (A)		**(49.61)**		**3,562.26**
B	**Cash Flow from Investing Activities:**				
	Inflow				
	a) Sale of Fixed Assets	-		14.50	
	b) Interest Received	-		623.09	
	c) Dividend Income	-		-	
			-		637.59
	Outflow				
	a) Purchase of Fixed Assets	-		(223.13)	
	b) Acquisition of Right-for-use Assets	-		-	
			-		(223.13)
	Net Cash inflow / (Outflow) from Investing Activities (B)		**-**		**414.46**
C	**Cash Flow from Financing Activities:**				
	Inflow				
	a) Inter Corporate Deposit taken	-		33,700.00	
	b) Increase in other borrowings (Net)	2,795.61		-	
			2,795.61		33,700.00
	Outflow				
	a) Repayment of Inter Corporate Deposit	-		(20,000.00)	
	b) Repayment of Lease Liabilties	-		(1,381.63)	
	c) Finance Charges paid	(2,647.51)		(8,189.84)	
	d) Decrease in other borrowings (Net)	-		(5,278.95)	
			(2,647.51)		(34,850.42)
	Net Cash inflow / (Outflow) from Financing Activity (C)		**148.10**		**(1,150.42)**
D	**Scheme adjustment**				
	Cash flow from transfer of assets & liabilities		(67.36)		
	Net Cash inflow / (Outflow) from Scheme adjustment (D)		(67.36)		
	Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C+D)		**31.13**		**2,826.30**
	Cash and Cash equivalents at the beginning of the year		-		43.20
	Cash and Cash equivalents at the close of the year		**31.13**		**2,869.50**
	Reconciliation of cash and cash equivalents as per the cash flow statement				
	Cash and Cash equivalent as per above comprises of the following				
	Cash and Cash Equivalents		31.13		2,869.77
	Book Overdrafts		-		(0.27)
	Balances as per statement of Cash Flows		**31.13**		**2,869.50**

Notes :

1 The Above cash flow statement is prepared under 'indirect method' as set out in the Ind AS-7 on Statement of Cash Flows as referred to in Section 133 of Companies Act, 2013

2 Previous year figures are regrouped and rearranged wherever necessary.

Statement of Significant Accounting Policies 1
The accompanying notes form an integral part of the Ind AS Financial Statements
As per our report of even date attached

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

For and on behalf of the Board of Directors

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: May 14, 2022

Gautam Hari Singhania
Director
DIN : 00020088
Place: Mumbai
Date: May 14, 2022

Mahendra Doshi
Director
DIN : 00123243
Place: Mumbai
Date: May 14, 2022

Priti Alkari
Company Secretary

Raymond Apparel Limited
Notes to the financial statements

Note 1 - Statement of Significant Accounting Policies

1. Background

Raymond Apparel Limited (the "Company"), headquartered in Mumbai, Maharashtra, (CIN U18109MH2006PLC2620777) is having trademark Noting Hill brand.

Pursuant to Scheme of arrangement approved by National Company Law Tribunal ("NCLT") order dated 23rd March, 22 , the business undertaking of the company i.e. all the business of the Demerged Company in the B2C business (consumers best of fabrics business and style through some of the country's most prestigious brands- Park Avenue, Parx, Raymond Ready to wear, Colorplus, Khadhi, Ethnix & Next Look) is transferred as on appointed date 1st April, 2021 except (i) intellectual property rights in the brand / trademark "Noting Hill " (ii) the Notting Hill business and (iii) Land & Building of 2 stores situated in Bangalore and Pune to Raymond Ltd (RL).

2. Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS
These separate financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting standards) Rules,2015 as amended and other relevant provisions of the Act.

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.

(ii) Historical cost convention
The financial statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities that are measured at fair value;
2) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification
All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts
All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(v) Recent accounting developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.
On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Provisions and Contingent liabilities are reviewed at each balance sheet date and adjusted to reflect best estimate.

(c) Property, plant and equipment

The Company has applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2015 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost of an item of PPE comprises of its purchase price including import duties and non refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and present value of estimated costs of dismantling and removing the item and restoring the site on which it is located

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company 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 the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on Plant and Machinery and Electric installation is provided on a Straight Line Method and in case of other assets on Written Down Value Method, over the estimated useful lives of assets. Leasehold improvements are amortised over the period of lease or estimated useful life, whichever is lower.

Assets individually costing Rs. 5,000 or less are depreciated fully in the year of acquisition.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful life of assets are same as those prescribed in schedule II of the Act.

Useful life of Property, Plant and Equipment including intangible assets: Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The residual values are not more than 5% of the original cost of the asset. The asset residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(d) Intangible assets

Computer software

Computer software are stated at historical cost, less accumulated amortisation and impairments, if any.

Amortisation method and useful life

The Company amortizes computer software using the straight-line method over the period of 5 years, being its useful life.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(e) Lease

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

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

Practical expedient opted by Company:

The Ministry of Corporate Affairs vide notification dated 24th July 2020, issued an amendment to Ind AS 116, ‘Leases’, by inserting a practical expedient w.r.t “Covid-19-Related Rent Concessions” effective from the period beginning on or after 01st April 2020. Pursuant to the amendment, the Company has opted to apply the practical expedient by accounting for the rent concessions during the year ended 31st March, 2022 “Other income” in the Statement of Profit and Loss. The rent concessions are recognised in the period in which formal consents have been received.

Company as a lessee

At lease commencement date, the Company recognises a right-of-use assets and a lease liabilities on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liabilities, any initial direct costs incurred by the Company and any lease payments made in advance of the lease commencement date.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term. The Company also assesses the right-of-use assets for impairment when such indicators exist.

At the commencement date of lease, the Company measures the lease liabilities at the present value of the lease payments to be made over the lease term, discounted using the interest rate implicit in the lease if that rate is readily available or the Company’s incremental borrowing rate.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance, fixed), and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or Statement of profit and loss, as the case may be.

The Company has elected to account for short-term leases and leases of low-value assets using the exemption given under Ind AS 116, Leases. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the Company’s benefit.

Company as a lessor

Leases for which the Company is a lessor classified as finance or operating lease
Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the excepted inflationary cost increases. The respective leased assets are included in the Consolidated Balance Sheet based on their nature.

(f) Cash and Cash Equivalents

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

(g) Inventories

Inventories of Raw Materials, Work-in-Progress, Stores and spares, Finished Goods and Stock-in-trade are stated 'at cost or net realisable value, whichever is lower'. Goods-in-Transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition, as applicable. Cost of purchase is ascertained based on the continuous moving weighted average basis. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

(h) Investments in subsidiary

Investments in subsidiary is recognised at cost as per Ind AS 27.

(i) Investments and other financial assets

(i) Classification
The Company classifies its financial assets in the following measurement categories:
(1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
(2) those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement
At initial recognition, the company measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:
Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

(1) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

(2)Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses) Interest income from these financial assets is included in other income using the effective interest rate method.

(3) Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

Equity instruments:
The Company measures its investment in subsidiary at cost less impairment, if any. The Company subsequently measures all equity investments other than above at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

(iii) Impairment of financial assets
The Company measures the ecpected credit loss associated with its assets based on historical trend, industry practices and the Business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Derecognition of Financial Assets
A financial asset is derecognized only when
1) The company has transferred the rights to receive cash flows from the financial asset; or
2) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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

(v) Income Recognition

Interest Income
Interest income from debt instruments is recognised using the effective interest rate method.

Dividends
Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

(j) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are Companyed at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(k) Derivative financial instruments

Derivative financial instruments which are foreign currency forward contracts, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(l) Borrowings

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(m) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

(n) Financial Liabilities

(i) Financial Liabilities initial recognition and measurement
All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.
(ii) Derecognition of Financial Liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(o) Provisions and contingent liabilities

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable. The Company does not recognize a contingent asset unless the recovery is virtually certain.

(p) Revenue recognition

The entity derives revenues primarily from sale of manufactured goods, traded goods and related services.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. The control of the products and services were transfer at a time when performance obligation and Control of goods or services transferred.

Sale of goods

In case of domestic customer, generally performance obligation satisfied and transferred the control when goods are dispatched or delivery is handed over to transporter, in case of export customers, generally performance obligation satisfied and transferred the control, when goods are shipped onboard based on bill of lading.

Sale of goods :- customer loyalty programme (Deferred revenue and Loyalty Income)

The entity operates a loyalty programme where customers accumulate points for purchases made which entitle them to discounts on future purchases. Revenue related to the award points is deferred and recognised when the points are redeemed. The amount of revenue is based on the number of points redeemed relative to the total number expected to be redeemed. The expenditure of loyalty programme is netted against the revenue.

The entity also charges fixed percentage of sales to franchises who participates in this scheme, which is recognised as revenue.

Sales Return

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

Other operating revenue - Export incentives

Export Incentives under various schemes are accounted in the year of export.

(q) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised 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.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and

(b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss Account as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Company. The interest payable by the Trust is notified by the Government. The Company has an obligation to make good the shortfall, if any.

Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b) when the company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(r) Foreign currency transactions

Functional and presentation currency
Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Raymond Apparel Limited's functional and presentation currency.

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(s) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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 off set where the Company 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.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternate Tax credit (MAT) is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(t) Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(u) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(v) Exceptional items:
When items of income and expenses within statement of pofit and loss from ordinary activities are such of size, nature and amount of such material items are disclosed separately as exceptional items.

(w) Standards issue but not effective
There are no standards that are issued but not ye effective on 31st March'22.

3 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Taxes: The Company provides for tax considering the applicable tax regulations and based on probable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event, if required, as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized.

Defined benefit plans (gratuity benefits): The Company’s obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

The areas involving critical estimates or judgement are:
(i) Estimated useful life of PPE, investment property and intangible assets - refer note 2, 2.1 and 3
(ii) Inventory write down - refer note 9
(iii) Trade receivables provisions - refer note 41
(iv) Estimation of tax expenses and tax payable - refer note 32
(v) Probable outcome of matters included under Contingent Liabilities - refer note 36
(vi) Estimation of Defined benefit obligation - refer note 38
(vii) Estimation uncertainty relating to the global health pandemic on COVID-19 - refer note 46

Raymond Apparel Limited
Notes to the financial statements

Note 2 - Property, Plant and Equipment

(Rs. in lakhs)

Particulars	Freehold Land	Buildings	Plant & machinery	Furniture & fixtures	Vehicles	Office equipment	Computers	Leasehold Improvements	Right of Use assets	Total	Capital work-in-progress
Gross carrying amount											
Balance as at March 31, 2021	**34.28**	**88.83**	**512.07**	**909.78**	**328.48**	**840.10**	**1,023.25**	**6,042.07**	-	**9,778.86**	**327.24**
Transitional Adjustment	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	7.97	-	-	-	3.38	-	-	**11.35**	117.48
Disposals	-	-	89.85	250.26	-	217.34	7.34	2,244.41	-	**2,809.20**	-
Capitalisation during the year	-	-	-	-	-	-	-	-	-	-	11.35
Balance as at March 31, 2021	**34.28**	**88.83**	**430.19**	**659.52**	**328.48**	**622.76**	**1,019.30**	**3,797.66**	-	**6,981.01**	**433.37**
Additions	-	-	-	-	-	-	-	-	-	-	-
Transferred to Raymond Limited as per scheme of demerger	-	-	430.19	659.52	328.48	622.76	1,019.30	3,797.66	-	**6,857.91**	433.37
Capitalisation during the year	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	**34.28**	**88.83**	-	-	-	-	-	-	-	**123.10**	-
Accumulated Depreciation											
Balance as at March 31, 2021	-	**8.40**	**249.58**	**617.95**	**97.73**	**767.40**	**853.32**	**4,519.20**	-	**7,113.57**	
Depreciation Charge for the year	-	1.68	47.11	69.48	72.13	28.01	129.55	643.51	-	**991.46**	
Disposals	-	-	70.28	205.76	-	207.95	7.13	1,817.61	-	**2,308.73**	
Balance as at March 31, 2021	-	**10.08**	**226.41**	**481.67**	**169.86**	**587.45**	**975.74**	**3,345.10**	-	**5,796.30**	
Depreciation Charge for the year	-	1.68	40.89	41.76	54.76	8.80	28.24	292.94	-	**469.07**	
Disposals	-	-	164.81	429.26	134.57	119.41	2.72	1,706.07	-	**2,556.85**	
Transferred to Raymond Limited as per scheme of demerger	-	-	102.48	94.17	90.05	476.84	1,001.26	1,931.97		**3,696.77**	
Balance as at March 31, 2022	-	**11.76**	-	-	-	-	-	-	-	**11.76**	
Net Carrying Amount											
Balance as at March 31, 2022	**34.28**	**77.07**	-	-	-	-	-	-	-	**111.35**	-
Balance as at March 31, 2021	**34.28**	**78.75**	**203.78**	**177.86**	**158.62**	**35.31**	**43.56**	**452.57**	-	**1,184.72**	**433.37**

Notes:
(a) Refer note 36 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
(b) Land and Buildings include Rs. 26.03 Lakhs and Rs. 55.74 Lakhs respectively, pertaining to purchase of property at Banglore which has been acquired by the Company by way of assignment of rights to the property vested by way of an assignment deed executed by the seller of the property.
(c) Refer note 43 for scheme of arrangements

Raymond Apparel Limited
Notes to the financial statements

Note 2.1 - Right-of-Use Assets

Particulars	Right of Use assets	Total
Gross carrying amount		
Balance as at April 01, 2020	**41,197.80**	**41,197.80**
Additions	2,568.75	**2,568.75**
Disposals	15,602.34	**15,602.34**
Balance as at March 31, 2021	**28,164.21**	**28,164.21**
Additions	-	**-**
Transferred to Raymond Limited as per scheme of demerger	28,164.21	**28,164.21**
Balance as at March 31, 2022	**-**	**-**
Accumulated Depreciation		
Balance as at April 01, 2020	**8,494.42**	**8,494.42**
Depreciation Charge for the year	7,430.31	**7,430.31**
Disposals	4,644.63	**4,644.63**
Balance as at March 31, 2021	**11,280.10**	**11,280.10**
Depreciation Charge for the year	-	**-**
Transferred to Raymond Limited as per scheme of demerger	11,280.10	**11,280.10**
Balance as at March 31, 2022	**-**	**-**
Net Carrying Amount		
Balance as at March 31, 2022	**-**	**-**
Balance as at March 31, 2021	**16,884.11**	**16,884.11**

(a) Refer note 43 for scheme of arrangements

Raymond Apparel Limited
Notes to the financial statements

Note 3 - Intangible assets

(Rs. in lakhs)

Particulars	**Computer Software #**	**Total**
Gross carrying amount		
Balance as at March 31, 2021	**311.46**	**311.46**
Additions	-	-
Disposals	0.11	0.11
Balance as at March 31, 2021	**311.35**	**311.35**
Additions	-	-
Transferred to Raymond Limited as per scheme of demerger	311.35	311.35
Balance as at March 31, 2022	**-**	**-**
Accumulated Depreciation		
Balance as at March 31, 2021	**299.95**	**299.95**
Amortisation for the year	7.79	7.79
Disposals	-	-
Balance as at March 31, 2021	**307.75**	**307.75**
Amortisation for the year	-	-
Transferred to Raymond Limited as per scheme of demerger	307.75	307.75
Balance as at March 31, 2022	**-**	**-**
Net Carrying Amount		
Balance as at March 31, 2022	**-**	**-**
Balance as at March 31, 2021	**3.60**	**3.60**

Other than internally generated software.
(a) Refer note 43 for scheme of arrangements

Raymond Apparel Limited
Notes to the financial statements

Note 4 - Investment in subsidiary

	As at March 31, 2022		As at March 31, 2021	
	Number	Rs. in lakhs	Number	Rs. in lakhs
Unquoted - Equity Instrument at Cost				
Colorplus Realty Limited (Equity Shares of Rs. 100 each)	-	-	1,00,000	6,339.65
Less: Provision for diminuation in value of Investment.	-	-	-	(6,339.65)
Total		-		-

Note 5 - Non Current Investments

	As at March 31, 2022		As at March 31, 2021	
	Number	Rs. in lakhs	Number	Rs. in lakhs
Unquoted - Equity Instrument at fair value through Other				
J.K.Investors (Bombay) Limited (Equity Shares of Rs. 100 each) (Refer note 40)	-	-	4,692	4,011.17
Accurate Finman Services Limited (Equity Shares of Rs. 10 each) (Refer note 40)	-	-	460	2.95
Total		-		**4,014.12**

I. Aggregate amount of unquoted investments	-	**4,014.12**
II. Aggregate amount of impairment in value of investments	-	**6,339.65**

(a) Refer note 43 for scheme of arrangements

Raymond Apparel Limited
Notes to the financial statements

Note 6 - Non Current Loans
(Unsecured, considered good)

(Rs. In Lakhs)

	As at March 31, 2022	As at March 31, 2021
Loans to employees	-	1.15
Total	**-**	**1.15**

(a) Refer note 43 for scheme of arrangements
(b) Refer note 42 for information about credit risk and market risk for loans.

Note 7 - Other non current financial assets
(Unsecured, considered good unless otherwise stated)

(Rs. In Lakhs)

	As at March 31, 2022	As at March 31, 2021
Security Deposits	-	2,563.08
Investments in Term deposits	-	11.18
Total	**-**	**2,574.26**

(a) Refer note 43 for scheme of arrangements

Note 8 - Other non-current assets
(Unsecured, considered good)

(Rs. In Lakhs)

	As at March 31, 2022	As at March 31, 2021
Capital advances	-	-
Prepaid expenses	-	198.75
VAT Receivable	-	14.59
Deposits with Government authorities	-	321.22
CVD Receivable	-	2,257.44
Less: Provision for CVD Receivable	-	(2,257.44)
	-	-
Total	**-**	**534.56**

(a) Refer note 43 for scheme of arrangements

Raymond Apparel Limited
Notes to the financial statements

Note 9 - Inventories

(Rs. In Lakhs)

	As at March 31, 2022	As at March 31, 2021
Stock-in-trade	-	30,881.65
Stock-in-trade in transit	-	75.51
Packing material	-	393.58
Total	**-**	**31,350.74**

(a) Refer note 34 for disclosure of inventories pledged as security.
(b) Write-down of inventories to net realisable value amounted to Rs.Nil as at 31st March'2022 and Rs. 7908.55 Lacs (includes Rs. 856 Lacs related to shrinkage and rejection) as at 31st March'2021. These write-downs were recognised as an expense during the year and included in changes in value of inventories of work-in-progress, stock-in-trade and finished goods in statement of profit and loss.

(c) Refer note 43 for scheme of arrangements

Note 10 - Trade Receivables

(Rs. In Lakhs)

	As at March 31, 2022	As at March 31, 2021
Trade Receivables	-	**33,587.04**
Receivable form Related parties	-	**1,559.24**
Less:Provision for Expected credit loss	-	**(250.00)**
Less: Allowance for doubtful receivables	-	**(244.74)**
Total	**-**	**34,651.54**

(a) Refer note 34 for disclosure of trade receivables pledged as security.
(b) Refer note 42 for information about credit risk and market risk of trade receivables.
(c) The Company has initiated the process of obtaining Balance confirmations and is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management is of the opinion the balances outstanding are correct and does not expect any material differences in the balances that would be affecting the current year's financial statement on receipt of the balance confirmations post the balance sheet date.
(d) Refer note 43 for scheme of arrangements

Trade Receivable ageing as at 31st March 2021

Row Labels	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 year	Total
Disputed							
Related Party	-	-	-	-	-	-	**-**
Others	-	-	-	-	-	172.76	**172.76**
Related Party - Provision	-	-	-	-	-	-	**-**
Others - Provision	-	-	-	-	-	-	**-**
Undisputed							
Related Party	1,395.74	150.98	11.87	0.65	-	-	**1,559.24**
Others	4,579.87	6,327.14	4,850.29	17,162.24	-		**32,919.54**
Related Party - Provision	-	-	-	-	-	-	**-**
Others - Provision	-	-	-	-	-	-	**-**
Grand Total	**5,975.61**	**6,478.12**	**4,862.16**	**17,162.89**	**-**	**172.76**	**34,651.54**

Raymond Apparel Limited
Notes to the financial statements

Note 11 - Cash and cash equivalents

(Rs. In Lakhs)

	As at March 31, 2022	As at March 31, 2021
Cash on hand	-	1,268.15
Cheques, drafts on hand	-	-
Balances with Banks		
In current accounts	31.13	1,601.62
Total	**31.13**	**2,869.77**

(a) Refer note 43 for scheme of arrangements

Note 12 - Current loans
(Unsecured, considered good)

(Rs. in Lakhs)

	As at March 31, 2022	As at March 31, 2021
Current		
Loans to employees	-	2.56
Total	**-**	**2.56**

(a) Refer note 43 for scheme of arrangements
(b) Refer note 42 for information about credit risk and market risk for loans.

Note 13 - Other current financial assets
(Unsecured, considered good)

(Rs. in Lakhs)

	As at March 31, 2022	As at March 31, 2021
Export benefit receivables	-	6.83
Export benefit receivables-considered doubtful	-	10.61
Less: Provision for doubtful benefit receivables	-	(10.61)
	-	-
Deposits with others (including rent deposit)	-	1,611.95
Interest receivable	-	1.85
Claims and other receivables	-	2.20
Claims and other receivables, considered doubtful	-	60.00
Less: Allowance for doubtful receivables	-	(60.00)
	-	-
Other	-	400.10
Total	**-**	**2,022.92**

(a) Refer note 43 for scheme of arrangements

Note 14 - Other current assets
(Unsecured, considered good unless otherwise stated)

(Rs. in Lakhs)

	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	-	103.11
Advances to Suppliers	-	193.93
VAT Credit Receivable	-	1.02
Deposits with customs, port trust, excise and other govt. authorities	-	13,417.12
Other advances		
- Related Party	-	-
- Other than related party	-	44.30
Total	**-**	**13,759.48**

(a) Refer note 43 for scheme of arrangements

Raymond Apparel Limited
Notes to the financial statements

Note 15 - Equity

a) Equity Share Capital

	As at March 31, 2022	As at March 31, 2021
		(Rs. in Lakhs)
Authorised*		
548500000 (March 31, 2021: 2,35,00,000) Equity Shares of Rs. 10 each.	60,130.00	2,350.00
52,80,000 (March 31, 2021: 52,80,000) Preference share of Rs. 100 each.	-	5,280.00
Issued, subscribed and fully paid up		
24,83,200 (March 31, 2021: 24,83,200) Equity Shares of Rs.10 each fully paid up, held by the Holding Company Raymond Limited and its nominees.	248.32	248.32
	248.32	**248.32**

* The Company has increased its Authorised Capital to Rs. 60130 Lakhs from Rs. 7630 Lakhs by passing resolution by Members in Extra Ordinary General Meeting on dt. 29.03.2022 & Form SH-7 has been filed with ROC on dt. 06.04.2022.

	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Equity Shares:				
Balance as at the beginning of the year	24,83,200	248.32	24,83,200	248.32
Add: Conversion of Preference shares into equity shares (Refer note below)	-	-	-	-
Balance as at the end of the year	**24,83,200**	**248.32**	**24,83,200**	**248.32**

i) Shares held by Holding Company

	As at March 31, 2022	As at March 31, 2021
		(Rs. in Lakhs)
Equity Shares of Rs. 10 each held by:		
24,83,200 Equity shares [March 31, 2021: 24,83,200 Equity Shares] held by Raymond Limited and its nominees	24,83,200	24,83,200

i1) Details of equity held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2022		As at March 31, 2021	
	%	No. of shares	%	No. of shares
Equity shares held by Raymond Limited and its nominees	100	24,83,200	100	24,83,200

Raymond Apparel Limited
Notes to the financial statements

b) Other Equity

(Rs. in Lakhs)

B. Other Equity	**Reserves and Surplus**					**Total**
	Capital Reserve	**Amalgamation Reserve**	**Securities Premium Reserve**	**General Reserves**	**Retained Earnings**	
Balance as at March 31, 2020	**7,233.38**	**92.34**	**6,231.68**	**2,630.77**	**(1,774.49)**	**14,413.68**
Loss for the year	-	-	-	-	(18,031.16)	(18,031.16)
Other Comprehensive Income for the period	-	-	-	-	1,128.77	1,128.77
Total Comprehensive Income for the period	-	-	-	-	**(16,902.39)**	**(16,902.39)**
Balance as at March 31, 2021	**7,233.38**	**92.34**	**6,231.68**	**2,630.77**	**(18,676.88)**	**(2,488.71)**
Loss for the year	-	-	-	-	(2,698.80)	(2,698.80)
Reserve arisen on demerged undertaking (Refer note 43)	**(54,878.05)**	-	-	-	-	(54,878.05)
Total Comprehensive Income for the period	**(54,878.05)**	-	-	-	**(2,698.80)**	**(57,576.85)**
Balance as at March 31, 2022	**(47,644.67)**	**92.34**	**6,231.68**	**2,630.77**	**(21,375.68)**	**(60,065.56)**

Raymond Apparel Limited
Notes to the financial statements

Note 16 - Non-Current Financial Liabilities

(Rs. in Lakhs)

	As at March 31, 2022	As at March 31, 2021
Financial Liabilities		
(a) Lease Liabilities	-	15,643.89
Total	**-**	**15,643.89**

(a) Refer note 43 for scheme of arrangements

Note 17 - Non-Current Borrowings

(Rs. in Lakhs)

	As at March 31, 2022	As at March 31, 2021
A. Secured		
(a) Term loan from Bank	-	4,967.00
(b) Quasi Equity (Refer note 43)	59,937.22	
Total	**59,937.22**	**4,967.00**

(a) Refer note 43 for scheme of arrangements

Note 18 - Current Borrowings

(Rs. in Lakhs)

	As at March 31, 2022	As at March 31, 2021
A. Secured		
(a) Loans repayable on demand from banks	-	26,811.97
Secured - Total (A)	**-**	**26,811.97**
B. Unsecured		
(a) Loans repayable on demand from banks	-	2,764.18
(b) Acceptances with bank	-	1,398.46
(c) Loans & Advances from related Parties (Refer note 39)	-	21,200.00
Unsecured - Total (B)	**-**	**25,362.64**
Total (A+B)	**-**	**52,174.61**

(a) Refer note 43 for scheme of arrangements

Raymond Apparel Limited
Notes to the financial statements

Note 19 - Non-Current Financial Liabilities

(Rs. in Lakhs)

	As at March 31, 2022	As at March 31, 2021
Financial Liabilities		
(a) Lease Liabilities	-	7,120.92
Total	**-**	**7,120.92**

(a) Refer note 43 for scheme of arrangements

Note 20 - Trade payables

(Rs. in Lakhs)

	As at March 31, 2022	As at March 31, 2021
Trade payables (Refer note 34)		
(A) total outstanding dues of micro & small enterprises	-	1,344.99
(B) total outstanding dues of creditors other than micro & small enterprises		
i) Amounts due to related parties (Refer note 40)	-	14,740.92
ii) Others	22.00	27,408.28
Total	**22.00**	**43,494.19**

(a) Refer note 43 for scheme of arrangements
(b) Refer Note 42 for information about liquidity risk and market risk of trade payables.

Trade Payable ageing as at 31st March 2022

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	22.00	-	-	-	22.00
Net undisputed(b)	-	22.00	-	-	-	22.00
Total (a+b)	**-**	**22.00**	**-**	**-**	**-**	**22.00**

Trade Payable ageing as at 31st March 2021

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
Related Parties	789.80	2,580.87	4,230.83	6,809.48	329.94	14,740.92
MSME	300.16	434.81	591.58	15.41	3.03	1,344.99
Others	8,517.44	10,043.45	7,912.22	508.03	427.14	27,408.28
Net undisputed(b)	9,607.40	13,059.13	12,734.63	7,332.92	760.11	43,494.19
Total (a+b)	**9,607.40**	**13,059.13**	**12,734.63**	**7,332.92**	**760.11**	**43,494.19**

Note 21 - Other current financial liabilities

(Rs. in Lakhs)

	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due on borrowings	-	19.66
Interest accrued and due on borrowings	-	100.74
Unpaid dividends #	-	-
(a) Unclaimed matured debentures and interest accrued thereon *	-	-
(b) Statutory Dues	-	-
Overdrawn Bank Balances	-	-
Book Overdraft	-	0.27
Deposits from Dealers, Agents, etc.	-	4,082.46
Employees Benefits Payable	-	1,274.39
Derivative financial instruments	-	-
Capital Creditors		
Amounts due to related parties (Refer note 40)	-	-
Others	-	295.27
Other payables	-	123.37
Total	**-**	**5,896.16**

There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

(a) Refer note 43 for scheme of arrangements

Note 22 - Other current liabilities

(Rs. in Lakhs)

	As at March 31, 2022	As at March 31, 2021
Advance from customers	-	450.14
Credit Balance in Debtors	-	882.53
Statutory Dues	-	736.20
Other payables	-	1,023.30
Total	**-**	**3,092.17**

(a) Refer note 43 for scheme of arrangements

Note 23 - Short term provisions

(Rs. in Lakhs)

	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits (Refer Note 39)	0.50	309.86
Total	**0.50**	**309.86**

(a) Refer note 43 for scheme of arrangements

Raymond Apparel Limited
Notes to the financial statements

Note 24 - Revenue from Operations

(Rs. in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Sale of Products		
Manufactured goods - Garments	-	-
Stock-in trade - Garments and Accessories	-	43,726.27
Other operating income		
Export Incentives	-	38.04
Royalty	-	-
Total	**-**	**43,764.31**

(a) Refer note 43 for scheme of arrangements

<u>Reconciliation of revenue recognised in the statement of profit and loss with the contracted price :</u>

(Rs. in lakhs)

Item	Year ended March 31, 2022	Year ended March 31, 2021
Contract Price	-	60,994.50
Less :		
Gift Vouchers	-	(8.16)
Sales returns	-	(16,939.30)
Customer Loyalty programme	-	(111.34)
Bonus and Incentives		(32.37)
Any other benefit pass on to customer		(139.03)
Total	**-**	**43,764.31**

Note 25 - Other income

(Rs. in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Interest income	-	622.32
Dividend income		
Others	-	-
Net gain/loss on termination of leases	-	3,054.52
Net gain/loss on Rent waiver	-	3,591.33
Other non-operating income	-	244.30
Credit Balances written back	-	137.26
Exchange Fluctuation-others	-	14.32
Total	**-**	**7,664.05**

(a) Refer note 43 for scheme of arrangements

Note 26 - Purchase of Stock-in-Trade

(Rs. in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Purchase of Stock-in-Trade	-	10,492.33
Total	**-**	**10,492.33**

(a) Refer note 43 for scheme of arrangements

Note 27 - Changes in inventories of finished goods (including stock-in-trade) and work-in-progress

(Rs. in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Opening inventories		
Finished goods	-	-
Work-in-progress	-	-
Stock-in-trade	-	56,040.92
	-	56,040.92
Closing inventories		
Finished goods	-	-
Work-in-progress	-	-
Stock-in-trade	-	31,275.23
	-	31,275.23
Total	**-**	**24,765.69**

(a) Refer note 43 for scheme of arrangements

Note 28 - Employee benefits expense

(Rs. in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	7.20	4,940.11
Contribution to provident funds and other funds	-	258.37
Defined benefit expense (Refer note 38)	-	89.90
Staff welfare expenses	-	136.57
Total	**7.20**	**5,424.95**

(a) Refer note 43 for scheme of arrangements

Note 29 - Finance costs

(Rs. in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense on term loan	-	17.41
Interest expense on other short term borrowings	2,647.51	5,424.37
Interest on Lease Liability	-	2,668.93
Total	**2,647.51**	**8,110.71**

(a) Refer note 43 for scheme of arrangements

Note 30 - Depreciation and amortization expense

(Rs. in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on Property, Plant and Equipment	1.68	991.46
Amortization on Intangible assets	-	7.79
Depreciation on Right to use Assets	-	7,430.31
Total	**1.68**	**8,429.56**

(a) Refer note 43 for scheme of arrangements

Raymond Apparel Limited
Notes to the financial statements

Note 31 - Other expenses

A) Manufacturing and Operating Costs

(Rs. in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Job work charges	-	275.77
Lab Testing Charges	-	26.71
Other Manufacturing and Operating expenses	-	15.66
Total	**-**	**318.14**

(a) Refer note 43 for scheme of arrangements

B) Other expenses

(Rs. in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Rent	-	453.35
Insurance	-	-
Rates and Taxes	0.60	33.05
Advertisement and sales promotion	-	2,144.56
Commission to selling agents	-	5,433.17
Outsourced Support Services	-	4,556.68
Freight, Octroi, etc	-	932.89
Information Technology Support Services	-	297.44
Legal and professional expenses	41.81	429.90
Royalty	-	173.38
Bad debts, Advances and Deposits written off		
Less : Provision released	-	288.64
Provision for Doubtful debts	-	(22.83)
Director Fees	-	36.10
Repairs & Maintainence, Others	-	1,155.04
Travelling & Conveyance	-	170.48
Loss on sale of assets (Net)	-	485.97
Security Charges	-	109.67
Electricity Expenses	-	473.20
Material Handling expenses	-	1,688.73
Corporate Facility Charges	-	643.28
Miscellaneous Expenses	-	2,061.55
Total	**42.41**	**21,544.25**

(a) Refer note 43 for scheme of arrangements

Legal and Professional expenses include:
A. Auditors' remuneration and expenses

(Rs. in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Auditors' remuneration and expenses:		
Statutory audit fees	27.00	25.60
Fees for other audit related services	10.71	10.00
Reimbursement of out-of-pocket expenses	-	-
Total	**37.71**	**35.60**

B. Details of CSR expenditure:

(Rs. in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Amount required to be spent as per Section 135 of the Act	-	-
Amount spent during the year	-	-
Yet to be paid in Cash	-	-
Total	**-**	**-**

Raymond Apparel Limited
Notes to the financial statements

Note 32 - Income Taxes

Tax expense recognised in the Statement of Profit and Loss:

(Rs. in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Current tax		
Current tax expenses on the profit for the year	-	-
Adjustments of current tax of prior period	-	-
Total current tax	**-**	**-**
Deferred tax		
Origination and reversal of temporary difference	-	(9,626.11)
Change in tax rates	-	-
Total deferred income tax expense/(credit)	**-**	**(9,626.11)**
Total income tax expense/(credit)	**-**	**(9,626.11)**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

(Rs. in lakhs)

Reconciliation of effective tax rate	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Enacted income tax rate in India	34.94%	34.94%
Profit/(Loss) before tax & Exceptional items	(2,698.80)	(27,657.27)
Income Tax expense as per enacted rate	**(943.07)**	**(9,664.57)**
Tax effect of adjustment to reconcile income tax expenses as per enacted rate with reported income tax expenses:		
Differences due to:		
Expenses not deductible for tax purposes		
MSME Interest Disallowance	-	38.43
Tax audit settlements		
Tax on account of change in rate of tax	-	-
Donation / CSR	-	
Others	-	0.01
Total income tax expense/(credit)	**(943.07)**	**(9,626.11)**

Effective Tax Rate	**34.94%**	**34.80%**

(Rs. in lakhs)

Movement during the year ended March 31, 2021 and March 31, 2022	**As at March 31, 2021**	**Transferred to Raymond Limited as per scheme of demerger**	**Credit/(charge) in Statement of Profit and Loss**	**Credit/(charge) in Other Comprehensive Income**	**As at March 31, 2022**
Deferred tax assets/(liabilities)					
Provision for post retirement benefits and other employee benefits	108.27	(108.27)	-	-	-
Provision for doubtful debts and advances	110.19	(110.19)	-	-	-
Depreciation	2,964.52	(2,964.52)	-	-	-
Provision for sales return	352.34	(352.34)	-	-	-
Fair value gains/losses	210.51	(210.51)	-	-	-
MTM of outstanding forward contracts	-	-	-	-	-
Fair valuation of Investments	(466.98)	466.98	-	-	-
ROU Assets & Lease Liabilities	1,275.79	(1,275.79)	-	-	-
Business Losses & Unabsorbed Depreciation & Others	14,715.42	(14,715.42)	-	-	-
Provision for expected credit loss	87.36	(87.36)	-	-	-
Total	**19,357.42**	**(19,357.42)**	**-**	**-**	**-**

Raymond Apparel Limited
Notes to the financial statements

Note 33 - Dues to micro and small enterprises:

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows:

(Rs. in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	1,344.99
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	136.93
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

Note 34 - Assets pledged as Security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(Rs. in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Other Assets		
Inventory	-	31,350.74
Account receivable	-	34,651.54
Total	**-**	**66,002.28**
Total Assets pledged as security	**-**	**66,002.28**

Note 35 - Operating Segment

The Company’s business activity falls within a single primary business segment the disclosure requirement of IND AS -108 "Operating Segment" is not applicable.

Raymond Apparel Limited
Notes to the financial statements

Note 36 - Contingent liabilities, contingent assets and commitments

i) Contingent Liabilities

(Rs. in lakhs)

	March 31, 2022	**March 31, 2021**
Claims against the Company not acknowledged as debts in respect of:		
- Sales Tax	-	1,495.78
- Income Tax	-	158.43
- Excise / Custom Duty	-	12.53
- Other legal claims	-	0.26
	-	**1,667.00**

Note :
Future cash flows in respect of above are determinable only on receipt of judgements/decisions pending with various authorities/forums.

It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above matters pending resolution of the respective proceedings.
The Company does not expect any reimbursements in respect of the above contingent liabilities.

Refer note 43 for scheme of arrangements

ii) Contingent assets
The company did not have any contingent assets as at the end of the year.

iii) Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(Rs. in lakhs)

	March 31, 2022	**March 31, 2021**
Property, plant and equipment	-	9.40
Less: Capital advances	-	-
Net Capital commitments	**-**	**9.40**

Note 37 - Lease

	March 31, 2022	March 31, 2021
Premises taken on operating lease:		
The Company has operating lease agreements for office premises, showrooms and warehouses. These lease arrangements range for a period between 3 and 9 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.		
Lease rentals recognized in the Statement of Profit and Loss for the year is Rs. Nil (2020-21 Rs. 6560.25 lakhs)		
With respect to non-cancellable operating lease, the future minimum lease payment as at Balance Sheet date is as under:		
For a period not later than one year	-	7,120.92
For a period later than one year but not later than five years	-	12,454.49
For a period later than five years	-	3,189.40

The Company has adopted Ind AS 116, "Leases", effective 1 April 2019, using modified retrospective approach as a result of which comparative information are not required to be restated. The Company has discounted lease payments using the incremental borrowing rate as at 1 April 2019 for measuring lease liabilities at ₹ 42,451.16 lakhs and accordingly recognized right-of-use assets at ₹ 37,342.50 lakhs (after adjusting prepaid lease rent) by adjusting retained earnings by ₹ 4,199.98 lakhs (net of tax), as at the aforesaid date. In the Statement of Profit and Loss for the current year, the nature of expenses in respect of operating leases are recognized as amortization of right-of-use of assets and finance costs, as compared to lease rent in previous periods, and to this extent results for the current period are not comparable. On transition to Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised was 8.5% p.a.

The Ministry of Corporate Affairs vide notification dated 24 July 2020, issued an amendment to Ind AS 116, 'Leases', by inserting a practical expedient w.r.t "Covid-19-Related Rent Concessions" effective from the period beginning on or after 01 April 2020. Pursuant to the amendment, the Company has opted to apply the practical expedient by accounting for the rent concessions amounting to ₹ Nil during the year ended 31 March 2022 (31st March 2021, 3591.33 Lakhs) in "Other income" in the Statement of Profit and Loss. The rent concessions are recognised in the period in which formal consents have been received. Accordingly, leases for which formal consents are received on or after 1 April 2021, concessions will be recognised during the respective periods.

Note 38 - Post retirement benefit plans

I. Defined contribution plan:

The Company has defined contribution plan. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual or constructive obligation. The expense recognised during the year towards defined contribution plan is Rs. Nil (31st March 2021 : Rs. 258.37 lakhs).

II. Defined benefit plan:

A. Balance Sheet

(Rs. in lakhs)

	Defined benefit plans	
	As at March 31, 2022	**As at March 31, 2021**
Present value of plan liabilities	-	518.59
Fair value of plan assets	-	536.53
Net plan liability / (asset)	**-**	**(17.94)**

B. Movements in plan assets and plan liabilities

(Rs. in lakhs)

	Year ended March 31, 2022			Year ended March 31, 2021		
	Plan Asset	**Plan Liability**	**Total**	**Plan Asset**	**Plan Liability**	**Total**
As at the beginning of the year	**-**	**-**	**-**	**656.29**	**719.92**	**63.63**
Interest cost	-	-	-	-	46.29	46.29
Current service cost	-	-	-	-	85.81	85.81
Past Service cost	-	-	-	-	-	-
Asset / Liability Transferred In/ Acquisitions	-	-	-	-	-	-
Interest income	-	-	-	42.20	-	(42.20)
Return on plan assets less expected interest on plan assets	-	-	-	(1.63)	-	1.63
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	-	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	-	-	-	(1.99)	(1.99)
Actuarial (gain)/loss arising from experience adjustments	-	-	-	-	(66.71)	(66.71)
Employer's contributions	-	-	-	90.00	-	(90.00)
Benefit payments	-	-	-	(250.33)	(264.75)	(14.41)
As at the end of the year	**-**	**-**	**-**	**536.53**	**518.59**	**(17.94)**

The liability is split between plan participants as follows:
Number of active members: 1 members (2020-21: 406 members)
The weighted average duration of the defined benefit plans is 8 years (2020-21 : 8 years)
The Company expects to contribute Rs. Nil to the funded plans in financial year 2021-22 (2020-21: Rs. 35.79 lakhs)

C. Statement of Profit and Loss

(Rs. in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Employee benefit expenses:		
Current service cost	-	85.81
Finance cost/(income)	-	4.09
Past Service Cost	-	-
Net impact on the profit/(loss) before tax (Refer note 29)	**-**	**89.90**
Remeasurement of the net defined benefit liability:		
Actual return on plan assets less expected interest on plan assets	-	1.63
Actuarial gains/(losses) arising from changes in demographic	-	-
Actuarial gains/(losses) arising from changes in financial assumptions	-	(1.99)
Actuarial (gain)/loss arising from experience adjustments	-	(66.71)
Net impact on the Other Comprehensive Income before tax	**-**	**(67.07)**

D. Assets

(Rs. in lakhs)

	Defined benefit plans	
	As at March 31, 2022	As at March 31, 2021
Unquoted		
Insurer Managed Fund	-	536.53
Total	**-**	**536.53**

E. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind-AS 19 are set by reference to market conditions at the valuation date. The significant actuarial assumptions were as follows:

	As at March 31, 2022	As at March 31, 2021
Financial Assumptions		
Discount rate		6.49%
Salary Escalation Rate		0% - 7.50%
Expected Rate of Return on Assets (per annum)		6.49%

Demographic Assumptions

Mortality in Service: Indian Assured Lives Mortality (2006-08)

F. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

(Rs. in lakhs)

	2022			2021		
	Change in assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO	Change in assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO
Discount rate	1.00%			1.00%	(31.07)	35.08
Salary Escalation Rate	1.00%			1.00%	31.94	(25.34)
Employee Turnover Rate	1.00%			1.00%	(1.68)	1.87

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

G. The defined benefit obligations shall mature after year end as follows:

(Rs. in lakhs)

Year ending March 31	2022	2021
1st following year	-	64.21
2nd following year	-	48.14
3rd following year	-	49.25
4th following year	-	49.72
5th following year	-	44.51
Thereafter	-	601.82

H Risk exposure:

Through its defined benefits plan, the company is exposed to a number of risks, the most significant of which are detailed below:

Changes in bond yields

A decrease in bond yield will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's bond holdings

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Plan assets are invested with the Life Insurance Corporation of India Limited. It is subject to interest rate risk. The company intends to maintain the above investments in the continuing years.

Raymond Apparel Limited
Notes to the financial statements

Note 39 - Related Party Disclosures as per IND AS 24:

I.	**Relationships**	**Country of Incorporation**	**Ownership Interest March 31, 2022**	**Ownership Interest March 31, 2021**
(a)	**Holding Company:**			
	Raymond Limited	India	100%	100%
(b)	**Subsidiary Company :**			
	Colorplus Realty Limited	India	100%	100%

Other Related Parties with whom transactions have taken place:

(c)	**Fellow Subsidiary Companies :**	
	Silver Spark Apparel Limited	India
	Celebrations Apparel Limited	India
	Raymond Woollen Outerwear Limited	India
	JK Files (India) Limited	India
	JK Talabot Limited	India
	Ring Plus Aqua Limited	India
	Raymond Luxury Cotton Limited	India
	Dress Master Apparel Private Limited	India
(d)	**Other Related Parties where significant influence exists for the Related Party stated in (a) above:**	
	J.K. Helene Curtis Limited	India
	Raymond Consumer Care Ltd.	India
(e)	**Joint Ventures of Related Party referred to in (a) above:**	
	Raymond UCO Denim Private Limited	India
(f)	**Related Party which has significant influence on Related Party stated in (a) above:**	
	J.K. Investors (Bombay) Limited	India
(g)	**Key management personnel**	
	Anshu Sarin	
	Gautam Yogendra Trivedi	
	Gautam Hari Singhania	
	I D Agarwal	
	Mahendra Doshi	
	Dinesh Lal	
	Mahendra Vasantrai Doshi	
	Priti Alkari, CS**	
(h)	**Other Related Parties:**	
	Jiva Designs Private Limited	

***No transactions during the year*

II. Transactions carried out with related parties referred to in 1(a) to 1(f) above:

(Rs. in lakhs)

Nature of transaction	**Related Parties**							
	Referred in 1 (a) above	**Referred in 1 (b) above**	**Referred in 1 (c) above**	**Referred in 1 (d) above**	**Referred in 1 (e) above**	**Referred in 1 (f) above**	**Referred in 1 (g) above**	**Referred in 1 (h) above**
Purchase								
Goods and Materials								
Raymond Limited	- (72.86)							
Raymond Luxury Cotton Limited			- (1.31)					
Silver Spark Apparel Limited			- (968.49)					
Raymond Consumer Care Limited				- (4.36)				
Sales								
Goods and Materials								
Raymond Limited	- (1,327.77)							
Raymond Consumer Care Ltd.				- (47.05)				
MEIS License								
Raymond Limited	- (28.98)							
Expenses								
Rent and other Service Charges								
Raymond Limited	- (243.12)							
Agency Commission								
J.K. Investors (Bombay) Limited						- (18.48)		
Royalty								
Raymond Limited	- (180.09)							
Interest paid (ICD)								
Raymond Limited	- (1,231.15)							
J.K. Talabot Ltd			- (25.50)					
Silver Spark Apparel Limited			- (10.48)					
JK Files (India) Ltd.			- (0.21)					
Ring Plus Aqua Ltd			- (9.86)					

Nature of transaction	Related Parties							
	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above	Referred in 1 (d) above	Referred in 1 (e) above	Referred in 1 (f) above	Referred in 1 (g) above	Referred in 1 (h) above
Other Payments:								
Advertisement Expenses								
Raymond Limited	- (79.43)							
Reimbursement of Expenses								
Raymond Limited	- (729.90)							
Corporate Facility Charges								
Raymond Limited	- (643.28)							
Director Fees								
Anshu Sarin							- (4.20)	
Gautam Hari Singhania							- (1.70)	
Gautam Yogendra Trivedi							- (6.70)	
I D Agarwal							- (9.00)	
Dinesh Lal							- (2.00)	
Mahendra Doshi							- (7.00)	
Nirvik Singh							- (5.50)	
Remuneration								
Bibek Agarwala							- (0.44)	
Income								
Loyalty Income								
Raymond Limited	- (153.74)							
Deputation of Staff								
Colorplus Realty Limited		- (11.90)						
Recovery of expenses								
Raymond Limited	- (393.16)							
Colorplus Realty Limited		- (1.96)						
Raymond Luxury Cotton Limited			(4.90)			-		
Finance:								
Loans taken								
Raymond Limited	58,150.00 (24,800.00)							
Silver Spark Apparel Limited			(3,000.00)					
JK Files (India) Ltd.			- (900.00)					
Ring Plus Aqua Ltd			(5,000.00)					
Loans repaid								
Raymond Limited	20,350.00 (20,000.00)							
J.K. Talabot Ltd.			300.00 -					
Silver Spark Apparel Limited			3,000.00 -					
JK Files (India) Ltd.			2,000.00 -					
Ring Plus Aqua Ltd			5,000.00 -					
Security Deposit Paid								
Raymond Limited	153.21 -							

Note: Previous year's figures have been shown within the brackets

III. Balances receivable or payable at the year end:

(Rs. in lakhs)

Nature of transaction	As at March 31, 2022	As at March 31, 2021
Accounts Payable:		
Holding Company		
Raymond Limited	10,025.61	11,945.98
Fellow Subsidiary & Joint Ventures		
Silver Spark Apparel Limited	-	2,625.64
Raymond Luxury Cotton Limited	-	47.78
Raymond UCO Denim Pvt. Ltd.	-	6.88
J.K. Helene Curtis Limited	-	15.71
J.K. Investors (Bombay) Limited		98.93
Total	**10,025.61**	**14,740.89**
Capital Creditors:		
Holding Company		
Raymond Limited	111.62	111.62
Total	**111.62**	**111.62**
Borrowings		
ICD Outstanding		
Raymond Limited	49,800.00	12,000.00
JK Talabot Limited		300.00
Silver Spark Apparel Limited		3,000.00
JK Files (India) Ltd.		900.00
Ring Plus Aqua Ltd	-	5,000.00
Total	**49,800.00**	**21,200.00**
Accounts Receivable:		
Holding Company		
Raymond Limited	-	1,515.78
Subsidiary		
Colorplus Realty Limited	-	38.56
Other Related Companies		
Raymond Consumer Care Limited		4.90
Total	**-**	**1,559.24**

Raymond Apparel Limited
Notes to the financial statements

Note 40 - Fair Value measurement

<u>Financial Instrument by catogory and hierarchy</u>

The fair values of the financial assets and liabilities are 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:
1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.
For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(Rs. in lakhs)

Financial Assets and Liabilities as at March 31, 2022				Fair Value through P & L				Fair Value through OCI				Carried at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
<u>Financial Assets</u>																
Investment																
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets																
Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Other Financial Assets</u>			-													
- Security Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and Cash equivalents	-	31.13	31.13	-	-	-	-	-	-	-	-	-	-	31.13	31.13	31.13
	-	**31.13**	**31.13**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**31.13**	**31.13**	**31.13**
<u>Financial Liabilities</u>																
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Payables	-	22.00	22.00	-	-	-	-	-	-	-	-	-	-	22.00	22.00	22.00
	-	**22.00**	**22.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**22.00**	**22.00**	**22.00**

Financial Assets and Liabilities as at March 31, 2021				Fair Value through P & L				Fair Value through OCI				Carried at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
<u>Financial Assets</u>																
Investment																
Equity instruments	4,014.12	-	4,014.12	-	-	-	-	-	4,014.12	-	4,014.12	-	-	-	-	4,014.12
	4,014.12	**-**	**4,014.12**	**-**	**-**	**-**	**-**	**-**	**4,014.12**	**-**	**4,014.12**	**-**	**-**	**-**	**-**	**4,014.12**
Other Assets																
Loans	1.15	2.56	3.71	-	-	-	-	-	-	-	-	-	-	3.71	3.71	3.71
<u>Other Financial Assets</u>																
- Security Deposits	2,563.08	1,611.95	4,175.03	-	-	-	-	-	-	-	-	-	-	4,175.03	4,175.03	4,175.03
- Others	11.18	410.97	422.15	-	-	-	-	-	-	-	-	-	-	422.15	422.15	422.15
Trade receivable	-	34,651.54	34,651.54	-	-	-	-	-	-	-	-	-	-	34,651.54	34,651.54	34,651.54
Cash and Cash equivalents	-	2,869.77	2,869.77	-	-	-	-	-	-	-	-	-	-	2,869.77	2,869.77	2,869.77
Total	**6,589.53**	**39,546.79**	**46,136.32**	**-**	**-**	**-**	**-**	**-**	**4,014.12**	**-**	**4,014.12**	**-**	**-**	**42,122.20**	**42,122.20**	**46,136.32**
<u>Financial Liabilities</u>																
Lease Liabilities	15,643.89	7,120.92	22,764.81											22,764.81	22,764.81	22,764.81
Borrowings	4,967.00	52,174.61	57,141.61	-	-	-	-	-	-	-	-	-	-	57,141.61	57,141.61	57,141.61
Other Financial Liabilities	-	5,896.16	5,896.16	-	-	-	-	-	-	-	-	-	-	5,896.16	5,896.16	5,896.16
Trade Payables	-	43,494.19	43,494.19	-	-	-	-	-	-	-	-	-	-	43,494.19	43,494.19	43,494.19
Total	**20,610.89**	**1,08,685.88**	**1,29,296.77**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,29,296.77**	**1,29,296.77**	**1,29,296.77**

Raymond Apparel Limited
Notes to the financial statements

Valuation technique used to determine fair value in respect of Investment in Level II.

JK Investors (Bombay) Ltd
Valuation of JK Investors (Bombay) Ltd has beed carried out by an independent valuer based on Market Approach (EV/EBITDA multiple) for its core business and based on Market Approach (Market Price, PECV multiple), Net Assets Value Approach as applicable in repect of its investment in various entities.

Fair values of financial assets and liabilities carried at amortised cost:

(Rs. in lakhs)

	As at March 31, 2022		As at March 31, 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Other Assets				
Loans	-	-	3.71	3.71
Other Financial Assets				
- Security Deposits	-	-	4,175.03	4,175.03
- Others	-	-	422.15	422.15
Trade Receivable	-	-	34,651.54	34,651.54
Cash and Cash equivalents	31.13	31.13	2,869.77	2,869.77
	31.13	**31.13**	**42,122.20**	**42,122.20**
Financial Liabilities				
Lease Liabilities	-	-	22,764.81	22,764.81
Borrowings	-	-	57,141.61	57,141.61
Other Financial Liabilities	-	-	5,896.16	5,896.16
Trade Payables	22.00	22.00	43,494.19	43,494.19
	22.00	**22.00**	**1,29,296.77**	**1,29,296.77**

Note 41 - Financial Risk Management

Refer note 43 Scheme of arrangements by which Assets & liabilities of demerged undertaking has been transferred, so for FY 21-22 there is no Financial Risk.

<u>Financial risk management objectives and policies</u>
The Company's financial risk management is an integral part of how to plan and execute its business strategy. The Company's financial risk management policy is set by the Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates,equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through treasury department, which evalutates and exercises independent control over the entire process of market risk management. The treasury department recommends risk mangament objectives and policies, which are approved by the Management and the Audit Committee. The acitivies of this department include management of cash resources, implementing hedging strategies for foreign currency exposures like foreign exchange forward contracts , borrowing strategies and ensuring compliance with market risk limits and policies.

<u>Market Risk- Interest rate risk</u>
Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury prerforms a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

<u>Exposure to interest rate risk</u>

(Rs. in lakhs)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Borrowings bearing variable rate of interest	-	35,941.61

<u>Interest rate sensitivity</u>

A change of 50 bps in interest rates would have following impact on profit before tax:

(Rs. in lakhs)

Change	**As at March 31, 2022**	**As at March 31, 2021**
50 bps increase would decrease the profit before tax by	-	(179.71)
50 bps decrease would increase the profit before tax by	-	179.71

Market Risk: Foreign Currency Risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

Derivative instruments and unhedged foreign currency exposure:

(a) Derivative outstanding as at the reporting date: **(FC in lakhs)**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Currency	Amount	Currency	Amount
Forward contracts to buy USD	USD	-	USD	5.10

Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

(b) Particulars of unhedged foreign currency exposures as at the reporting date:

(FC in lakhs)

As at March 31, 2022	USD	EURO	GBP
Trade Receivables	-	-	-
Trade Payables	-	-	-

(FC in lakhs)

As at March 31, 2021	USD	EURO	GBP
Trade Receivables	0.53	-	-
Trade Payables	31.82	-	-

(c) Foreign Currency Risk Sensitivity

A change of 1% in foreign currency would have following impact on profit before tax:

(Rs. in lakhs)

	2021-22		2020-21	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	-	-	(22.88)	22.88
EURO	-	-	-	-
GBP	-	-	-	-
Increase / (decrease) in profit or loss	**0.00**	**0.00**	**(22.88)**	**22.88**

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customes, taking
The Company considers the probablity of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occuring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:
i) Actual or expected significant adverse changes in business;
ii) Actual or expected significant changes in the opertaing results of the counterparty;
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
iv) Significant increase in credit risk on other financial instruments of the same counterparty;
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assests are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the company. The company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due.Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

Ageing of Account Receivables

(Rs. in lakhs)

	As at March 31, 2022	**As at March 31, 2021**
Not due	-	6,123.54
0-3 months	-	4,439.00
3-6 months	-	1,887.00
6 months to 12 months	-	4,851.00
Beyond 12 months and less than 2 years	-	17,351.00
Total	**-**	**34,651.54**

Movement in provisons of doubtful debts

(Rs. in lakhs)

	March 31, 2022	**March 31, 2021**
Balance at the beginning of the year	-	267.57
Add: Allowance for bad and doubtful debts	-	-
Add: Provision for Expected Credit Loss	-	250.00
Less: Provision written back / reversed	-	-
Less:- Provision utilised against bad debts	-	(22.83)
Balance at the end of the year	**-**	**494.74**

Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury deparment is responsible for liquidity,

Raymond Apparel Limited
Notes to the financial statements

Maturity patterns of borrowings

(Rs. in lakhs)

	As at March 31, 2022			As at March 31, 2021		
	0-1 year	1-5 years	Total	0-1 year	1-5 years	Total
Long term borrowings (Including current maturity of long term debt)	-	-	-	-	4,967.00	4,967.00
Short term borrowings	-	-	-	52,174.61	-	52,174.61
Total	**-**	**-**	**-**	**52,174.61**	**4,967.00**	**57,141.61**

Maturity patterns of other financial liabilities

(Rs. in lakhs)

As at March 31, 2022	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	Beyond 12 months	Total
Trade Payable	22.00	-	-	-	-	22.00
Payable related to Capital goods	-	-	-	-	-	-
Lease Liabilities	-	-	-	-	-	-
Other Financial Liability (Current and Non Current)	-	-	-	-	-	-
Total	**22.00**	**-**	**-**	**-**	**-**	**22.00**

(Rs. in lakhs)

As at March 31, 2021	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	Beyond 12 months	Total
Trade Payable	37,939.19	4,126.41	1,428.58	-	-	43,494.18
Payable related to Capital goods	293.60	1.67	-	-	-	295.27
Lease Liabilities	2,226.29	1,261.32	1,195.33	2,437.99	15,643.89	22,764.82
Other Financial Liability (Current and Non Current)	5,600.89	-	-	-	-	5,600.89
Total	**46,059.97**	**5,389.40**	**2,623.91**	**2,437.99**	**15,643.89**	**72,155.16**

Raymond Apparel Limited
Notes to the financial statements

Note 42 - Capital Risk Management

Risk Management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets in order to maintain or adjust the capital structure.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Capital Management

The Company's capital management objectives are :
- to ensure the company's ability to continue as a going concern; and
- to provide an adequate return to shareholders through optimisation of debts and equity balance.

The company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on the face of the financial statements. The company's objectives for capital management is to maintain an optimum overall financial structure.

(Rs. In Lakhs)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Debt (Includes non-current,current borrowings and current maturities of long term debt)	59,937.22	57,141.61
Less:- Cash and cash equivalents	31.13	2,869.77
Net debt	59,906.09	54,271.84
Total equity	**(59,817.24)**	**(2,240.39)**
Net debt to total equity ratio	-100.15%	-2422.43%

Pursuent to scheme of arrangement the above debt has been considerd as Quasi Equity.

Note 43 - Scheme of Arrangement
Pursuant to Scheme of arrangement approved by National Company Law Tribunal ("NCLT") order dated 23rd March, 2022, the business undertaking of the company i.e. all the business of the Demerged Company in the B2C business is transferred as on appointed date 1st April, 2021 except (i) intellectual property rights in the brand/trademark "Noting Hill" (ii) the Notting Hill business and (iii) 2 stores land & building situated in Bangalore & Pune, to Raymond Ltd (RL). As per the scheme, the Business undertaking of the Demerged Company shall include all the debts, liabilities other than the borrowings/debt (inter corporate deposit/trade payable and other financial liabilities) received from RL and considered as quasi equity. The board of directors of the company as well as RL have also identified this amount as quasi equity. In view of this Scheme read with above referred board resolution the company has Rs. 59,937.22 lakhs as quasi equity as at 31st March, 2022, which has not been wasted with RL and not transferred to it. In view of the above, Rs. 54878.05 Lakhs has been debited to Capital Reserve, the difference between assets, liabilities and after considering the Quasi Equity amount. The above treatment is based on legal as well as accounting opinion received by the Company.

Note 44 - Note on Going Concern
As detailed in note number 43, after demerger of the demerged undertaking, the net worth of the Company has been fully eroded, liabilities are more than assets as on 31st March, 2022, there exist material uncertainty related to going concern.
The Company intents to allot the shares against this ICD (quasi equity) and subsequent to year end the company already increased the authorised share capital and RL is given its consent to convert this quasi equity into equity share, in view of the above the these financial results have been prepared on the basis that the Company will continue as a going concern

Note 45 - CVD Receivables
Imported garments were fully exempted from payment of CVD under Notification No. 30/2004- C.E. dated 09.07.2004, subject to the condition that no CENVAT Credit has been availed on the inputs or on capital goods. However, during the relevant period (FY 11 to FY 14), there was a dispute between the importers and the Customs Department regarding the applicability of the said benefit and the fulfillment of the aforesaid condition. The Customs Department had taken a view that the condition of "where NO CENVAT credit has been availed on the inputs by suppliers" was not applicable on the imported goods and accordingly, the importers were not eligible for the benefit of the said Notification. Basis the above notification, Raymond Apparel Limited had paid CVD under protest amounting to INR 22.57 Crs and expensed out, during the period from 2011 to 2015.

However, Raymond Apparel Limited had filed refund applications of CVD paid under protest, amounting to INR 22.57 Crs, basis the order passed by the Hon'ble Supreme Court of India in the case of M/s. SRF Ltd. vs Commissioner of Customs, Chennai reported at 2015 (318) E.L.T. 607 (SC) on 26.03.2015 interpreted Condition No. 20 of Notification No. 06/2002-CE (Sl. No. 122). The Hon'ble Supreme Court held that importers of goods could claim benefit of such notification at the time of import for exemption from payment of CVD.

Basis as above, company has brought the said amount in the books of account for the period ended 31.03.2021 as "Claim Receivables" and created a provision for an equivalent amount, as prudent practice.

Note 46 - Note on Covid

The Company has considered the possible effects thaI may result from COVID-19 In the preparation of these financial statements. The Company believes that pandemic Is unlikely to impact on the recoverability of the carrying value of its assets as at March 31, 2022. Based on the current year performance and estimates arrived at using internal and external sources of information, the Company does not expect any material impact on such carrying values. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business. The Company Is taking all necessary measures to secure the health and safety of its employees, workers and their families.

Note 47 - Earning's per share

(Rs. in Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Earning's per share has been computed as under:		
Profit for the year	(2,698.80)	(18,031.16)
Weighted average number of equity shares outstanding	24,83,200	24,83,200
Basic Earning's Per Share (Face value of Rs. 10 per share)	(108.68)	(726.13)
Add: Weighted average number of potential equity shares	-	7,721
Weighted average number of Equity shares (including dilutive shares) outstanding	24,83,200	24,90,921
Diluted Earning's Per Share (Face value of Rs. 10 per share)	(108.68)	(723.88)

Note 48 - Employee Stock Options

Pursuant to Share holders approval on 15 March 2018 meeting, the company has granted 33692 stock options to eligible employees of the Company and the employees of its holding company in accordance with the Raymond Apparel Limited Employees Stock Options Plan 2018 (“RAL ESOP 2018”) with the vesting period as provided in the Award Agreement with each Employee. Holder of each option is eligible for one fully paid equity share of the Company of the face value of Rs.10 each on payment of Rs.10 per option. The fair value of option determined on the date of grant is Rs. 1570 based on the comparable companies multiple method. The stock options plan 2018 is in the process of finalisation , in view of that the Disclosure in terms of Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 of the Companies Act, 2013 is annexed here below for the period ended 31st March, 2021."

However, pursuant to Board Resolution passed on January 19, 2022 in Board meeting, the company has terminated the existing Raymond Apparel Limited - Employee Stock Options Plan 2018 (“RAL ESOP2018”) as initially approved by the shareholders of the Company on March 15, 2018.

Sr. No.	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1	Number of options outstanding on Beginning of the year	Nil	33,692
2	Options Granted during the year	Nil	Nil
3	Options vested during the year	Nil	Nil
4	Options exercised during thye year	Nil	Nil
5	Options lapsed during the year	Nil	25,971/-
6	The exercise price	Nil	Rs.10/-
7	Variation of terms of options	None	None
8	Money realised by exercise of Option	Nil	Nil
9	Total number of options in force at the end of the year	Nil	33,692

Note 49 - Consolidation of Subsidiary

As per second proviso of Rule 6 of Companies (Account) Amendment Rule, 2016, the Company being - (i) a wholly owned subsidiary of Raymond Limited; (ii) not listed in India or outside India and (iii) the parent Company files its consolidated financial statements, hence the Company has availed the exemption from preparation of consolidated financial statement.

Note 50 - Financial Ratios

Particulars	Numerator	Denominator	March 2022	March 2021	Variation %	Reasoning and Basis
Current Ratio	Current Assets	Current Liabilities	1.38	0.76	83%	Raymond Apparel Limited Business undertaking has been transferred to Raymond Limited as per Scheme of Arrangements approved by NCLT order dt. 23.03.2022 & appointed date is 01.04.2021
Debt- Equity Ratio	Total Debt	Shareholder's Equity	(1.00)	(25.51)	96%	
Debt- Service Coverage Ratio	Earnings available for debt service*	Debt Service**	(0.00)	(0.17)	-100%	
Return on equity Ratio	Net Profits after taxes	Average Shareholder's Equity	0.09	(3.02)	103%	
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	-	0.81	-100%	
Trade receivable Turnover Ratio	Revenue	Average Trade Receivable	-	1.09	-100%	
Trade Payable turnover Ratio	Purchases of services and other expenses	Average Trade Payables	-	0.21	-100%	
Net Capital Turnover Ratio	Revenue	Working Capital	2.00	0.40	394%	
Net profit Ratio	Net Profit	Revenue	-	(0.41)	100%	
Return on Capital employed Ratio (ROCE)	Earning before interest and taxes	Capital Employed***	(0.43)	(7.17)	94%	
Return on Investment	Profit After Tax	Aeverage Shareholder Equity****	0.09	(3.02)	103%	

* Earnings before Interest, Depreciation, Amortisation and Tax
** Interest and Principal amount of Long Term and Short Term Loan
*** Shareholder's Equity + Long Term Borrowings
**** Share Capital + Reetained Earnings excluding OCI Balance

Note 51 - Title deeds of Immovable property not held in the name of Company

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter* / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
PPE	Land	26.03	Colorplus Fashion Ltd	No	01.04.2016	It is under process of transferring in the name of Compnay
PPE	Buildings	55.74	Colorplus Fashion Ltd	No	01.04.2016	It is under process of transferring in the name of Compnay

Note 52 - Previous Year Figures regrouped or rearranged

The figures for the previous period/year have been regrouped/rearranged wherever necessary to make them comparable with the current period's figures.

Note 53 - Details of Benami Property Held

The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

Note 54 - The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any
(b) provide any guarantee, security or the like to or on behalf of the Ultimate

Note 55 - Relationship With Struck Off Companies

The Company do not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

Note 56 - Registration Of Charges Or Satisfaction With Registrar Of Companies

The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

Note 57 - Details Of Crypto Currency Or Virtual Currency

The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 58 - Undisclosed Income

The Company has not 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 59 - Borrowings Obtained On The Basis Of Security Of Current Assets

For the borrowings secured against current assets ,the company has filed Quarterly statements of current assets with the banks and the same are in agreement with the books of accounts.

Note 60 - Utilisation Of Borrowed Funds And Share Premium

As on March 31, 2022 there is no unutilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.

Note 61 - Revaluation Of Property, Plant And Equipment And Intangible Assets

The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

Note 62 - Compliance With Number Of Layers Of Companies

The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.

As per our report of even date attached

For Chaturvedi & Shah LLP	**For and on behalf of the Board of Directors**	
Chartered Accountants		
Firm Registration Number: 101720W/ W100355		
Lalit R. Mhalsekar	Gautam Hari Singhania	Mahendra Doshi
Partner	Director	Director
Membership Number: 103418	DIN : 00020088	DIN : 00123243
Place: Mumbai	Place: Mumbai	Place: Mumbai
Date: May 14, 2022	Date: May 14, 2022	Date: May 14, 2022
	Priti Alkari	
	Company Secretary	

COLORPLUS REALTY LIMITED

ANNUAL REPORT 2021-22

BOARD OF DIRECTORS	:	SHRI M. L. BAPNA SHRI VIJAY DESHPANDE SHRI SANDIP MAHESWARI
STATUTORY AUDITORS	:	MESSERS. CHATURVEDI AND SHAH, CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	JEKEGRAM, POKHRAN ROAD NO. 1, THANE – 400 606, MAHARASHTRA

COLORPLUS REALTY LIMITED

CIN: U70100MH1987PLC260720

Board's Report

To
The Members,

Your Directors have pleasure in presenting their Thirty Fifth Annual Report on the Business and Operations of the Company and the accounts for the Financial Year ended March 31, 2022.

1. FINANCIAL SUMMARY / PERFORMANCE OF THE COMPANY

During the year under review Gross Revenue of the Company for FY 2021-22 stood at Nil (Previous Year: NIL) and Company registered a loss of Rs.14.55 Lakhs (Previous Year Loss: Rs.15.37 Lakh).

2. DIVIDEND

In view of the loss incurred during the year under review, no dividend has been recommended.

3. RESERVES

Your Company has not transferred any amount to the General Reserves of the Company.

4. AUDITORS

Messrs. Chaturvedi & Shah, Chartered Accountants (ICAI Firm Registration Number 101720W/W100355) were appointed as the statutory auditors of the Company for a period of 5 years commencing from the conclusion of 30th AGM till the conclusion of 35th AGM.

The term of Messrs. Chaturvedi & Shah, Chartered Accountants (ICAI Firm Registration Number 101720W/W100355) expires at ensuing Annual General Meeting of the Company and are eligible for re-appointment. Since they have conveyed their unwillingness for being re-appointed as Statutory Auditors, the Board of Directors of the Company has recommended to appoint Messrs MGM & Company, Chartered Accountants (ICAI Firm Registration Number 117963W), as Statutory Auditors of the Company for a term of five years according to Section 139 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no qualification made by the auditors in their audit report for the year under review.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system.

The Company has a robust Management Information System, which is an integral part of the control mechanism.

6. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2022 was Rs. 1.00 Crore. During the year under review, the Company has not issued any shares. As on March 31, 2022, none of the Directors of the Company hold shares in the Company.

7. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any Loan, Guarantee or Investments falling within Section 186 of the Companies Act, 2013.

9. DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri. Vijay Deshpande, Director, retires by rotation at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment.

During the year, four Board Meetings were held on April 30th 2021,July 23rd 2021, October 10th 2021 and February 02nd 2022.

Date of Board Meeting	Name of Directors		
	Shri M.L. Bapna	Shri Vijay Deshpande	Shri Sandip Maheswari
30.04.2021	✓	✓	✓.
23.07.2021	✓	✓	✓
22.10.2021	✓	✓	✓
02.02.2022	✓	✓	✓

10. ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board of the Company is not required to carry out the evaluation of its own performance and Directors individually.

11. COMPLIANCE WITH SECRETARIAL STANDARDS

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with the Secretarial Standards applicable on it.

12. RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. The Company has developed a Related Party Transactions Framework and Standard Operating Procedures for purpose of identification and monitoring of such transactions.

13. RISK MANAGEMENT

The Company is exposed to risks from market fluctuations of foreign exchange, interest rates, commodity prices, business risks, compliance risks and people risks. These risks are assessed periodically and steps as appropriate are taken to mitigate the risks.

14. REPORTING OF FRAUDS

There was no instance of fraud during the year under review which required the Statutory Auditors to report to the Audit Committee and/or Board under section 143(12) of the Companies Act, 2013 and the Rules framed thereunder.

15. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
ii. the directors have selected such accounting policies and applied them consistently and have 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 loss of the Company for that period;
iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
iv. the directors have prepared the annual accounts on a going concern basis; and
v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and such systems are adequate and operating effectively.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no commercial activity during the year under review. The Company has not made any capital investment in technology absorption or research development. Foreign exchange earnings and outgo during the year was Nil.

17. EXTRACT OF ANNUAL RETURN

The draft Annual Return for FY21-22 has been placed on www.raymond.in.

18. PARTICULARS OF EMPLOYEES

Since your company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2022 is not applicable.

19. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review, there were no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

20. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(I) of the Companies Act, 2013, there were no material changes and commitments for the period under review, which affects the financial position of the Company.

21. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints, redressal is placed on the intranet for the benefit of its employees. There were no complaints filed against any of the employees of the Company under this Act.

22. DISCLOSURES

No application has been made under the Insolvency and Bankruptcy Code. The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

23. ACKNOWLEDGEMENT

Your Directors express their warm appreciation to all its employees for their diligence and contribution. The Board records its grateful appreciation for the co-operation, support and valuable guidance received from banks, central and state government authorities, customers, and suppliers.

For and on behalf of the Board

	Mithu Lal Bapna	**Vijay Deshpande**
Mumbai	**Director**	**Director**
DATE: 13th May 2022	**DIN: 06383502**	**DIN: 08250378**

INDEPENDENT AUDITOR'S REPORT

To the Members of Color Plus Realty Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Color Plus Realty Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, and the Statement of Profit and Loss, Statement of Changes in Equity and 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.

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 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its loss (including other comprehensive income) , its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibility of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 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 statement 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.

The 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 scepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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.

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provide for any remuneration to its directors during the year.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has no pending litigations as on March 31, 2022

b. The Company has no long term contracts including derivative contracts outstanding as on March 31, 2022

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

d.

a) 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 securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (‘Ultimate Beneficiaries’) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (i) and (ii) above contain any material misstatement.

e. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 22103418AJJOUT4852

Place: Mumbai
Date: 13 May 2022

Annexure A to Independent Auditor's Report – March 31, 2022

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Color Plus Realty Limited** ('the Company') on the financial statements for the year ended March 31, 2022, we report the following:

i. The Company does not have any property, plant and equipment or intangible assets or right of use assets or investment property and accordingly, reporting under clause 3(i) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as the Order) is not applicable to the Company.

ii. As explained to us and on the basis of the records examined by us, The company does not hold any inventory. Accordingly, clause 3(ii) of the Order is not applicable to the Company.

iii. In our opinion and according to the information and explanations provided to us, The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, The Company has not granted any loan or provided any guarantees or security to the parties covered under Section 185 of the Act and the company has not made investment hence, provision of Section 186 of the Act is not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from public and hence the directives issued by Reserve Bank of India and relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), the rules framed there under shall not apply. Accordingly, clause 3(v) of the Order is not applicable to the Company.

vi. According to the information and explanation given to us, pursuant to the rules made by The Central Government of India, does not specify the maintenance of cost record under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

vii. In respect of statutory dues:

(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute

viii. According to the information and explanations given to us and representation given to us by the management, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

ix.

(a) According to the information and explanations given to us, the Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) In our opinion and according to the information and explanations given to us, the Company has not taken any short term loan. Hence reporting under clause 3(ix)(d) of the Order is not applicable.

(e) In our opinion and 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 subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x.

(a) During the year the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi.

(a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies 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 including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year

xii. In our opinion and 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 to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with the companies (Indian Accounting Standards) Rules, 2015.Further, the Company is not required to constitute an Audit Committee Under section 177 of the Act, and Accordingly, to this extent, clause 3(xiii) of the Order is not applicable to the Company.

xiv. According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. a) To the best of our knowledge and according to the information and explanations provided to us , the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.

c) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) Based on the information and explanations given to us and as represented by the management of the Company, the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

xvii. The Company has incurred cash losses during the financial year and the immediately preceding financial year amounting to Rs. 14.55 Lakhs and 15.37 Lakhs respectively covered by our audit.

xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, reporting under clause 3(xviii) of the order is not applicable to the company.

xix. 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 and our knowledge of the Board of Directors and Management plans including support from holding company as explained in Note No. 18 of financial statemens 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 any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us, The Company does not fulfil the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 22103418AJJOUT4852

Place: Mumbai
Date: 13 May 2022

Annexure B to Independent Auditor's Report – March 31, 2022 on the Financial Statements of Color Plus Realty Limited

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

We have audited the internal financial controls with reference to financial statement of Color Plus Realty Limited ('the Company') as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 ("the 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") and the Standards on Auditing, issued by ICAI and 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 with reference to this financial statement and their operating effectiveness. Our audit of internal financial controls with reference to these financial statement included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with reference to these 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 these 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 Over Financial Reporting

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

Opinion

In our opinion,to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 22103418AJJOUT4852

Place: Mumbai
Date: 13 May 2022

Colorplus Realty Limited (Formerly Known as Color Plus Fashions Limited)
Balance Sheet as at Mar 31, 2022

(Rs. in lakhs, unless otherwise stated)

		Note	As at Mar 31, 2022	As at March 31, 2021
I	**ASSETS**			
	Current assets			
	(a) Financial Assets			
	Trade receivables	2	-	-
	(b) Other current assets	3	0.29	0.29
	TOTAL ASSETS		**0.29**	**0.29**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	4	100.00	100.00
	(b) Other equity	5	(178.85)	(164.30)
	Current liabilities			
	(a) Financial Liabilities			
	(i) Trade Payables	6		
	(A) total outstanding dues of micro & small enterprises		-	-
	(B) total outstanding dues of creditors other than micro & small enterprises		76.53	59.69
	(ii) Other financial liabilities	7	1.39	3.06
	(b) Other current liabilities	8	0.21	0.15
	(c) Short term provisions	9	1.01	1.69
	TOTAL LIABILITIES		**0.29**	**0.29**

Statement of Significant Accounting Policies
The accompanying notes form an integral part of the Ind AS Financial Statements
As per our report of even date attached 1

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

For and on behalf of the Board of Directors

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: May 13, 2022

Mithulal Shanar Lal Bapna
Director
DIN : 06383502
Place: Mumbai
Date: May 13, 2022

Vijay Deshpande
Director
DIN : 08250378
Date: May 13, 2022

Colorplus Realty Limited (Formerly Known as Color Plus Fashions Limited)
Statement of Profit and Loss for the year ended Mar 31, 2022

(Rs. in lakhs, unless otherwise stated)

Sr. No.	Particulars	Note	Year Ended Mar 31, 2022	Year ended March 31, 2021
I	**Income**			
	Revenue from Operations	10	-	-
	Total Income (I)		**-**	**-**
II	**Expenses**			
	Purchases of Stock-in-Trade	11	-	-
	Employee benefits expense	12	14.05	14.87
	Other expenses	13	0.50	0.50
	Total expenses (II)		**14.55**	**15.37**
III	**Loss before tax (I- II)**		**(14.55)**	**(15.37)**
IV	**Tax expense**			
	Current tax		-	-
	Deferred tax charge/(credit)		-	-
V	**Loss for the year (III-IV)**		**(14.55)**	**(15.37)**
VI	**Other Comprehensive Income**		**-**	**-**
VII	**Total Comprehensive Income for the year (V + VI)**		**(14.55)**	**(15.37)**
VIII	**Earnings per equity share of Rs. 100 each :**			
	Basic and diluted earnings per share (Rs.)	17	(14.55)	(15.37)

Statement of Significant Accounting Policies 1
The accompanying notes form an integral part of the Ind AS Financial Statements
As per our report of even date attached

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

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Vijay Deshpande
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DIN : 08250378
Date: May 13, 2022

Colorplus Realty Limited (Formerly Known as Color Plus Fashions Limited)
Statement of Cash Flow

(Rs. in Lakhs)

			Year ended Mar 31, 2022		Year ended March 31, 2021
A	**Cash Flow from Operating Activities:**				
	Net Loss before Tax and Exceptional items as per Statement of Profit and Loss.		(14.55)		(15.37)
	Operating Profit before Working Capital changes.		**(14.55)**		**(15.37)**
	Add/(Deduct)				
	a) (Increase)/Decrease in Inventories			-	
	b) (Increase)/Decrease in Trade and Other Receivables	-		(0.06)	
	c) Increase/(Decrease) in Trade and Other Payable	14.55		15.43	
			14.55		15.37
	Cash Inflow/(Outflow) from operations		-		-
	Less : Direct Taxes paid (net of refund)		-		-
	Net cash Inflow/(Outflow) from Operating Activities		-		-
B	**Cash Flow from Investing Activities:**				
	Net cash Inflow/(Outflow) from Investing activity		-		-
C	**Cash Flow from Financing Activities:**				
	Net Cash Inflow / (Outflow) from Financing Activity		-		-
	Net Increase/(Decrease) in Cash/Cash Equivalents (A+B+C)		-		-
	Cash and Cash equivalents at the beginning of the year		-		-
	Cash and Cash equivalents at the close of the year		-		-
	Reconciliation of cash and cash equivalents as per the cash flow statement Cash and Cash equivalent as per above comprises of the following				
	Cash and Cash Equivalents		-		-
	Bank Overdrafts		-		-
	Balances as per statement of Cash Flows		-		-

Statement of Significant Accounting Policies 1
The accompanying notes form an integral part of the Ind AS Financial Statements
As per our report of even date attached

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

For and on behalf of the Board of Directors

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
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Vijay Deshpande
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DIN : 08250378
Date: May 13, 2022

Colorplus Realty Limited (Formerly Known as Color Plus Fashions Limited)
Statement of Changes in Equity

A. Equity Share Capital

(Rs. in Lakhs)

	Note	Amount
Balance as at March 31, 2021	**4**	**100.00**
Changes in equity share capital		-
Balance as at March 31, 2022		**100.00**

B. Other Equity

(Rs. in Lakhs)

	Reserves and Surplus					
	Capital Reserve	**Capital Redemption Reserve**	**Securities Premium Reserve**	**General Reserves**	**Retained Earnings**	**Total**
Balance as at Mar 31, 2020	**(7,233.38)**	**548.00**	**347.52**	**1,196.53**	**4,992.40**	**(148.93)**
Changes in accounting policy or priorperiod errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting Period	(7,233.38)	548.00	347.52	1,196.53	4,992.40	(148.93)
Profit for the year					(15.37)	(15.37)
Other Comprehensive Income for the year					-	-
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**(15.37)**	**(15.37)**
Balance as at Mar 31, 2021	**(7,233.38)**	**548.00**	**347.52**	**1,196.53**	**4,977.03**	**(164.30)**
Changes in accounting policy or priorperiod errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting Period	(7,233.38)	548.00	347.52	1,196.53	4,977.03	(164.30)
Profit for the year					(14.55)	(14.55)
Other Comprehensive Income for the year					-	-
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**(14.55)**	**(14.55)**
Balance as at Mar 31, 2022	**(7,233.38)**	**548.00**	**347.52**	**1,196.53**	**4,962.48**	**(178.85)**

Statement of Significant of Account Policies 1
The accompanying notes form an integral part of the Ind AS Financial Statements
As per our report of even date attached

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

For and on behalf of the Board of Directors

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: May 13, 2022

Mithulal Shanar Lal Bapna
Director
DIN : 06383502
Place: Mumbai
Date: May 13, 2022

Vijay Deshpande
Director
DIN : 08250378
Date: May 13, 2022

Colorplus Realty Limited (Formerly Known as Color Plus Fashions Limited)
Notes to the financial statements

Note 1 - Statement of Significant Accounting Policies

1. Background

Colorplus Realty Limited (the "Company"), headquartered in Mumbai, Maharashtra (CIN: U51102MH1987PLC260720), is one of India's most respected apparel company. The Company brings to the consumers best of fabric and style.

2. Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS
These separate financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting standards) Rules,2015 as amended and other relevant provisions of the Act.

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.

(ii) Historical cost convention
The financial statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities that are measured at fair value;
2) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification
All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts
All amounts disclosed in the financial statemnets and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(v) Recent Accounting Development / Pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.
On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Provisions and Contingent liabilities are reviewed at each balance sheet date and adjusted to reflect best estimate.

(c) Property, plant and equipment
The Company has applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2015 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
Cost of an item of PPE comprises of its purchase price including import duties and non refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and present value of estimated costs of dismantling and removing the item and restoring the site on which it is located

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company 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 the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value
Depreciation on Plant and Machinery and Electric installation is provided on a Straight Line Method and in case of other assets on Written Down Value Method, over the estimated useful lives of assets. Leasehold improvements are amortised over the period of lease or estimated useful life, whichever is lower.

Assets individually costing Rs. 5,000 or less are depreciated fully in the year of acquisition.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful life of assets are same as those prescribed in schedule II of the Act.

Useful life of Property, Plant and Equipment including intangible assets: Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The residual values are not more than 5% of the original cost of the asset. The asset residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(d) Intangible assets

Computer software
Computer software are stated at historical cost, less accumulated amortisation and impairments, if any.

Amortisation method and useful life
The Company amortizes computer software using the straight-line method over the period of 5 years, being its useful life.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(e) Operating Lease

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.
At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been presented in the Balance Sheet as a part of Property, plant and equipment and lease payments have been classified as financing cash flows.

Practical expedient opted by Company:

• For contracts in place at the date of transition, the Company has elected to apply the definition of a lease from Ind AS 17 and Appendix C to Ind AS 17 and has not applied Ind AS 116 to arrangements that were previously not identified as lease under Ind AS 17 and appendix C to Ind AS 17.

• The Company has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of transition of Ind AS 116, being 1 April 2019.

• On transition Company has elected, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months, not recognise right-of-use assets but to account for the lease expense on a straight-line basis over the remaining lease term.

• For those leases previously classified as finance leases, the right-of-use asset and lease liability are measured at the date of initial application at the same amounts as under Ind AS 17 immediately before the date of initial application.

Exemptions availed by Company:

• The Company has elected not to recognise right-of-use assets in below mentioned cases but to account for the lease expense on a straight-line basis over the remaining lease term or on another systematic basis if that basis is more representative of the pattern of the Company's benefit:

• A lease that, at the commencement date, has a lease term of 12 months or less i.e. short-term leases and

• leases for which the underlying asset is of low value

The Company has benefited from the use of hindsight for determining the lease term when considering options to extend and terminate leases.

Measurement and recognition of leases

The Company considers whether contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that convey the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.
To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:
• the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company
• the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
• the Company has the right to direct the use of the identified asset throughout the period of use. The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Company as a lessee

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company and any lease payments made in advance of the lease commencement date.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss account as the case may be.

The Company has elected to account for short-term leases and leases of low-value assets using the exemption given under Ind AS 116. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the Company's benefit.

Company as a lessor

Lease income from operating leases where the company is lessor is recognised in income on straight line basis over the lease term.

Critical accounting estimates and judgements
Ind AS 116 requires Company to make certain judgements and estimations, and those that are significant are disclosed below.
Critical judgements are required when an entity is,
• determining whether or not a contract contains a lease
• establishing whether or not it is reasonably certain that an extension option will be exercised
• considering whether or not it is reasonably certain that a termination option will not be exercised
• determining whether or not variable leased payments are truly variable, or in-substance fixed
• for lessors, determining whether the lease should be classified as an operating or finance lease.

Key sources of estimation and uncertainty include:
• calculating the appropriate discount rate.
• estimating the lease term.

(f) Cash and Cash Equivalents

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

(g) Inventories

Stock-in-trade is stated 'at cost or net realisable value, whichever is lower'. Goods-in-Transit are stated 'at cost'. Cost comprise all cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchase is ascertained based on the continuous moving weighted average basis. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

(h) Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following measurement categories:

(1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and;

(2) those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characterstics of the asset. The Company classifies its debt instruments into following categories:

(1) **Amortised cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

(2)Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses) Interest income from these financial assets is included in other income using the effective interest rate method.

(3) Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

Equity instruments:

The Company measures its investment in subsidiary at cost less impairment, if any. The Company subsequently measures all equity investments other than above at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Derecognition of Financial Assets
A financial asset is derecognized only when
1) The company has transferred the rights to receive cash flows from the financial asset; or
2) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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

(v) Income Recognition

Interest Income
Interest income from debt instruments is recognised using the effective interest rate method.

Dividends
Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

(i) Impairment of non-financial assets

Non- financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(j) Borrowings

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(k) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

(l) Financial Liabilities

(i) Financial Liabilities initial recognition and measurement
All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(ii) Derecognition of Financial Liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(m) Provisions and contingent liabilities

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognize a contingent asset unless the recovery is virtually certain.

(n) Revenue recognition

The entity derives revenues primarily from sale of manufactured goods, traded goods and related services.

IND AS 115 – Revenue from Contracts with Customers has been notified by Ministry of Corporate affairs on March 28,2018 and is effective for accounting period beginning on or after April 01, 2018. According to IND AS 115, entity shall recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. The control of the products and services were transfer at a time when performance obligation and Control of goods or services transferred.

Sale of goods
In case of domestic customer, generally performance obligation satisfied and transferred the control when goods are dispatched or delivery is handed over to transporter, in case of export customers, generally performance obligation satisfied and transferred the control, when goods are shipped onboard based on bill of lading.

Sale of goods :- customer loyalty programme (Deferred revenue and Loyalty Income)
The entity operates a loyalty programme where customers accumulate points for purchases made which entitle them to discounts on future purchases. Revenue related to the award points is deferred and recognised when the points are redeemed. The amount of revenue is based on the number of points redeemed relative to the total number expected to be redeemed. The expenditure of loyalty programme is netted against the revenue.
The entity also charges fixed percentage of sales to franchises who participates in this scheme, which is recognised as revenue.

Sales Return
The Group recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

Other operating revenue - Export incentives
Export Incentives under various schemes are accounted in the year of export.

(o) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised 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.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and

(b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Company. The interest payable by the Trust is notified by the Government. The Company has an obligation to make good the shortfall, if any.

Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b) when the company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(p) Foreign currency transactions

Functional and presentation currency

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Raymond Apparel Limited's functional and presentation currency.

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(q) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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 off set where the company 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.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

(r) Earnings Per Share

Basic earnings per share
Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(s) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(t) Cash Flow

Cash flows are reported using the indirect method, whereby profit for the period 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 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. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

3 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Taxes: The Company provides for tax considering the applicable tax regulations and based on probable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event, if required, as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized.

Defined benefit plans (gratuity benefits): The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Colorplus Realty Limited (Formerly Known As Color Plus Fashions Limited)
Notes to the financial statements

Note 4 - Equity Share capital

	As at Mar 31, 2022	As at March 31, 2021
		(Rs. in lakhs)
Authorised		
2,00,000 (March 31, 2018: 2,00,000) Equity Shares of Rs.100 each	200.00	200.00
5,50,000 (March 31, 2018: 5,50,000) 0.1% Redeemable Non-Cumulative preference shares of Rs 100 each	550.00	550.00
	750.00	750.00
Issued		
1,00,000 (March 31, 2018: 1,00,000) Equity Shares of Rs.100 each	100.00	100.00
	100.00	100.00
Subscribed and Paid up		
1,00,000 (March 31, 2018: 1,00,000) Equity Shares of Rs. 100 each fully paid up	100.00	100.00
	100.00	**100.00**

a) Reconciliation of number of shares

	As at Mar 31, 2022		As at March 31, 2021	
	No. of shares	**Amount**	**No. of shares**	**Amount**
Equity Shares :				
Balance as at the beginning of the year	100,000	100.00	100,000	100.00
Add: Shares issued during the year	-	-	-	-
Balance as at the end of the year	**100,000**	**100.00**	**100,000**	**100.00**

b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of Rs. 100 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shares held by Parent Company

	As at Mar 31, 2022	As at March 31, 2021
Equity Shares of Rs. 100 each held by:		
Equity shares [31st March, 2021: 100,000 shares] held by Raymond Apparel Limited and its nominees / Raymond Limited **	100,000	100,000

d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at Mar 31, 2022		As at March 31, 2021	
	%	**No. of shares**	**%**	**No. of shares**
Raymond Apparel Limited and its nominees **	0	-	100	100,000
Raymond Limited and its nominees **	100	100,000	0	-

** During the current year, shares of Company have been transferred to Ultimate holding company by virtue of demerger scheme with effect from 23rd March 2022. In consequence, Raymond limited become holding company from ultimate hoding Company.

Colorplus Realty Limited (Formerly Known as Color Plus Fashions Limited)
Notes to the financial statements

A . Equity share capital **(Rs in Lakhs)**

	Amount
As at 31 March, 2021	100.00
As at 31 March, 2022	100.00

Current Reporting Period- Year ended March-22 **(Rs in Lakhs)**

	As at	
	Number of shares	Amount
Equity Shares Capital :		
Balance as at the beginning of the current reporting year	100,000	100.00
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	100,000	100.00
Changes in equity share capital during the current year	-	-
Balance at the end of the current reporting period	100,000	100.00

Previous Reporting Period- Year ended March-21

	As at	
	Number of shares	Amount
Equity Shares Capital :		
Balance as at the beginning of the current reporting year	100,000	100.00
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	100,000	100.00
Changes in equity share capital during the current year	-	-
Balance at the end of the current reporting period	100,000	100.00

Note 5 - Other Equity

(Rs. in Lakhs)

	Reserves and Surplus					
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserves	Retained Earnings	Total
Balance as at Mar 31, 2020	**(7,233.38)**	**548.00**	**347.52**	**1,196.53**	**4,992.40**	**(148.93)**
Changes in accounting policy or priorperiod errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting Period	(7,233.38)	548.00	347.52	1,196.53	4,992.40	(148.93)
Profit for the year	-	-	-	-	(15.37)	(15.37)
Other Comprehensive Income for the year	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	(15.37)	(15.37)
Balance as at Mar 31, 2021	**(7,233.38)**	**548.00**	**347.52**	**1,196.53**	**4,977.03**	**(164.30)**
Changes in accounting policy or priorperiod errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting Period	(7,233.38)	548.00	347.52	1,196.53	4,977.03	(164.30)
Profit for the year	-	-	-	-	(14.55)	(14.55)
Other Comprehensive Income for the year	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	(14.55)	(14.55)
Balance as at Mar 31, 2022	**(7,233.38)**	**548.00**	**347.52**	**1,196.53**	**4,962.48**	**(178.85)**

Colorplus Realty Limited (Formerly Known as Color Plus Fashions Limited)
Notes to the financial statements

Note 2 - Trade receivables

(Rs. in lakhs)

	As at Mar 31, 2022	As at March 31, 2021
Considered good		
Unsecured		
Other parties	-	-
Total	**-**	**-**

Note 3 - Other current assets
(Unsecured, considered good unless otherwise stated)

(Rs. in lakhs)

	As at Mar 31, 2022	As at March 31, 2021
Deposits with customs, port trust, excise and other govt. authorities	0.29	0.29
Prepaid expenses	-	-
Total	**0.29**	**0.29**

Note 6 - Trade payables

(Rs. in lakhs)

	As at Mar 31, 2022	As at March 31, 2021
Trade payables		
(A) total outstanding dues of micro & small enterprises	-	-
(B) total outstanding dues of creditors other than micro & small enterprises		
(i) Amounts due to related parties [Refer Note 14]	74.86	52.42
(ii) Others	1.67	7.27
Total	**76.53**	**59.69**

2021-22 **(Rs. in lakhs)**

	Not due	**Less than 1 year**	**1- 2 year**	**2-3 years**	**More than 3 years**	**Total**
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-			-	-
Undisputed						
Related Parties	-	22.44	14.11	16.66	21.65	74.86
MSME		-			-	-
Others	-	0.50	0.50	0.61	0.06	1.67
Net undisputed(b)	**-**	**22.94**	**14.61**	**17.27**	**21.71**	**76.53**
Total (a+b)	**-**	**22.94**	**14.61**	**17.27**	**21.71**	**76.53**

2020-21

	Not due	**Less than 1 year**	**1- 2 year**	**2-3 years**	**More than 3 years**	**Total**
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-			-	-
Undisputed						
Related Parties		14.11	16.66	6.38	15.27	52.42
MSME						-
Others		6.60	0.61	0.05	-	7.27
Net undisputed(b)	**-**	**20.71**	**17.27**	**6.43**	**15.27**	**59.69**
Total (a+b)	**-**	**20.71**	**17.27**	**6.43**	**15.27**	**59.69**

Note 7 - Other current financial liabilities

(Rs. in lakhs)

	As at Mar 31, 2022	As at March 31, 2021
Salary and Wages payable and other employee benefit expense	1.39	3.06
Total	**1.39**	**3.06**

Note 8 - Other current liabilities

(Rs. in lakhs)

	As at Mar 31, 2022	As at March 31, 2021
Statutory dues	0.21	0.15
Total	**0.21**	**0.15**

Note 9 - Short term provisions

(Rs. in lakhs)

	As at Mar 31, 2022	As at March 31, 2021
Provision for employee benefits	1.01	1.69
Total	**1.01**	**1.69**

Colorplus Realty Limited (Formerly Known as Color Plus Fashions Limited)
Notes to the financial statements

Note 10 - Revenue from Operations

(Rs. in Lakhs)

	Year Ended Mar 31, 2022	Year ended March 31, 2021
Sale of Products		
(i) Stock-in trade	-	-
Total	**-**	**-**

Note 11 - Purchases of Stock-in-Trade

(Rs. in Lakhs)

	Year Ended Mar 31, 2022	Year ended March 31, 2021
Purchases of Stock-in-Trade	-	-
Total	**-**	**-**

Note 12 - Employee benefits expense

(Rs. in Lakhs)

	Year Ended Mar 31, 2022	Year ended March 31, 2021
Salaries and wages	13.33	13.75
Contribution to provident funds and other funds	0.41	0.52
Defined contribution plan expense	0.10	0.33
Staff welfare expenses	0.21	0.27
Total	**14.05**	**14.87**

Note 13 - Other expenses

(Rs. in Lakhs)

	Year Ended Mar 31, 2022	Year ended March 31, 2021
Legal and Professional Expenses	-	-
Payment to auditors (Refer Note A below)	0.50	0.50
Total	**0.50**	**0.50**

Note A. Payment to Auditors:

(Rs. in Lakhs)

	Year Ended Mar 31, 2022	Year ended March 31, 2021
Auditors' remuneration and expenses:		
Statutory Audit fees	0.50	0.50
Fees for other audit related services	-	-
Reimbursement of out-of-pocket expenses	-	-
Total	**0.50**	**0.50**

Colorplus Realty Limited (Formerly Known as Color Plus Fashions Limited)
Notes to the financial statements

Note 14 - Related Party Disclosure as per Ind AS 24

I. Relationships	**Country of Incorporation**	**Ownership Interest** March 31, 2022	**Ownership Interest** March 31, 2021
(a) Ultimate Holding Company/ Holding Company			
Raymond Limited **	India	100%	100%
(b) Holding Company	India	100%	100%
Raymond Apparel Limited **			
(c) Fellow Subsidiary Companies :			
(i) Silver Spark Apparel Limited	India		
(ii) Celebrations Apparel Limited	India		
(iii) Raymond Luxury Cottons Limited	India		
(d) Joint Ventures of Related Party referred to in (a) above			
Raymond UCO Denim Private Limited	India		
(e) Related Party which has significant influence on Related Party stated in (a) above			
J K Investors (Bombay) Limited	India		

* No transactions during the year
** During the current year, shares of Company have been transferred to Ultimate holding company by virtue of demerger scheme with effect from 23rd March 2022. In consequence, Raymond limited become holding company from ultimate hoding Company.

II. Transactions carried out with related parties referred in 1 above, in ordinary course of business:

(Rs. in lakhs)

Nature of Transaction	**Related Parties** Referred to 1 (a) above	Referred to 1 (b) above	Referred to 1 (c) above	Referred to 1 (d) above	Referred to 1 (e) above	Referred to 1 (f) above
Purchases						
Goods and Materials						
Raymond Limited	- -					
Expenses						
Reimbursement of Expenses						
Raymond Apparel Limited		16.34 (13.86)				

III. Balances receivable or payable at the year end:

	31-Mar-22	31-Mar-21
Payables		
Raymond Limited	13.87	13.87
Raymond Apparel Limited	60.99	38.56
Total	**74.86**	**52.43**

Colorplus Realty Limited (Formerly Known as Color Plus Fashions Limited)
Notes to the financial statements

Note 15 - Fair Value measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are 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:
1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

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

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(Rs. in lakhs)

Financial Assets and Liabilities as at 31st March'2022				Routed through P & L				Routed through OCI				Carried at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Trade receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial Liabilities																
Trade Payables	-	76.53	76.53	-	-	-	-	-	-	-	-	-	-	76.53	76.53	76.53
Other Financial Liabilities	-	1.39	1.39	-	-	-	-	-	-	-	-	-	-	1.39	1.39	1.39
	-	77.92	77.92	-	-	-	-	-	-	-	-	-	-	77.92	77.92	77.92

(Rs. in lakhs)

Financial Assets and Liabilities as at 31st March'2021				Routed through P & L				Routed through OCI				Carried at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Trade receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial Liabilities																
Trade Payables	-	59.69	59.69	-	-	-	-	-	-	-	-	-	-	59.69	59.69	59.69
Other Financial Liabilities	-	3.06	3.06	-	-	-	-	-	-	-	-	-	-	3.06	3.06	3.06
	-	62.75	62.75	-	-	-	-	-	-	-	-	-	-	62.75	62.75	62.75

Fair values of financial assets and liabilities carried at amortised cost:

(Rs. in lakhs)

	As at 31st March'22		As at 31st March'21	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Trade receivable	-	-	-	-
Cash and Cash equivalents	-	-	-	-
	-	-	-	-
Financial Liabilities				
Borrowings	-	-	-	-
Trade Payables	76.53	76.53	59.69	59.69
Other Financial Liabilities	1.39	1.39	3.06	3.06
	77.92	77.92	62.75	62.75

Note 16 - Financial Risk Management

Financial risk management objectives and policies

The Company financial risk management is an integral part of how to plan and execute its business strategies. The Companys financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates,equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

The Company manges market risk through a treasury departments, which evalutates and exercises independent control over the entire process of market risk management. The treasury department recommend risk mangament objectives and policies, which are approved by Senior Management and the Audit Committee. The acitivies of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury prerforms a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

(Rs. in lakhs)

Particulars	As at 31st March'22	As at 31st March'21
Borrowings bearing variable rate of interest	-	-

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

(Rs. in lakhs)

	As at 31st March'22	As at 31st March'21
50 bps increase would decrease the profit before tax by	-	-
50 bps decrease would increase the profit before tax by	-	-

Market Risk- Foreign currency risk.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodites and services in the respective currencies.

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customes, taking into account the financial condtion, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probablity of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throught each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occuring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the opertaing results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assests are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due.Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

Ageing of Account receivables

(Rs. in lakhs)

	As at 31st March'22	As at 31st March'21
Not due	-	-
0-3 months	-	-
3-6 months	-	-
6 months to 12 months	-	-
beyond 12 months	-	-
Total	**-**	**-**

Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury deparment is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity patterns of other Financial Liabilities

As at 31st March'22

(Rs. in lakhs)

	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	76.53	-	-	-	-	76.53
Other Financial liabilities (Current and Non Current)	-	1.39	-	-	-	1.39
Total	**76.53**	**1.39**	**-**	**-**	**-**	**77.92**

As at 31st March'21

(Rs. in lakhs)

	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	59.69	-	-	-	-	59.69
Other Financial liabilities (Current and Non Current)	-	3.06	-	-	-	3.06
Total	**59.69**	**3.06**	**-**	**-**	**-**	**62.75**

Colorplus Realty Limited (Formerly Known As Color Plus Fashions Limited)
Notes to the financial statements

Note 17 -Earnings per share

(Rs. in lakhs)

	Year Ended Mar 31, 2022	**Year ended March 31, 2021**
Earnings Per Share has been computed as under:		
Loss for the year after tax	(14.55)	(15.37)
Weighted average number of equity shares outstanding	100,000	100,000
Earnings Per Share (Rs.) - Basic & Diluted (Face value of Rs. 100 per share)	(14.55)	(15.37)

Note 18 - Operating Segment

The Company's business activity falls within a single primary business segment viz."Readymade Garments and Accessories" the disclosure requirement of IND AS -108 "Operating Segment" is not applicable. Further the Company does not meet the quantitative threshold as mentioned in Ind AS 108 and hence separate disclosure is not required.

Note 19 - Capital risk management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Note 20 :- Deferred tax assets

The Company does not recognize and deferred tax assets on the losses incurred. The same will be recognized at the time of utilization.

Note:- 21 Other Statutory Information

(a) DETAILS OF BENAMI PROPERTY HELD

The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(b) RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company do not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

(c) WILLFUL DEFAULTER

The Company has not been declared a willful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

(d) REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

(e) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(f) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(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.

(g) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company 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.

(h) UNDISCLOSED INCOME

The Company has not 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.

(i) BORROWINGS OBTAINED ON THE BASIS OF SECURITY OF CURRENT ASSETS
During the current year , the Company does not borrow any fund and hence this clause is not applicable.

(j) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM
During the current year , the Company does not borrow any fund and hence this clause is not applicable.

(k) REVALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(l) COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(m) Ratio's

Particulars	Numerator	Denominator	March 2022	March 2021	Variation %	Reasoning and Basis
Current Ratio	Current Assets	Current Liabilities	0.0037	0.0045	**-18%**	
Return on equity Ratio	Net Profits after taxes	Average Shareholder's Equity	**0.20**	**0.27**	**25%**	
Return on Capital employed Ratio (ROCE)	Earning before interest and taxes	Capital Employed***	**0.18**	**0.24**	**23%**	
Return on Investment	Profit After Tax	Aeverage Shareholder Equity****	**0.20**	**0.27**	**25%**	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	**-**	**-**	**0%**	Company does not have any Borrowings during the year and as at year end and accordingly this ratio is not applicable.
Debt- Service Coverage Ratio	Earnings available for debt service*	Debt Service**	**-**	**-**	**0%**	
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	**-**	**-**	**0%**	Company does not have any operational activities and accordingly company does not have sales/ purchase/ inventory and profitability from operations. Accordingly these ratio's are not applicable.
Trade receivable Turnover Ratio	Revenue	Average Trade Receivable	**-**	**-**	**0%**	
Trade Payable turnover Ratio	Purchases of services and other expenses	Average Trade Payables	**-**	**-**	**0%**	
Net Capital Turnover Ratio	Revenue	Working Capital	**-**	**-**	**0%**	
Net profit Ratio	Net Profit	Revenue	**-**	**-**	**0%**	

* Earnings before Interest, Depreciation, Amortisation and Tax
** Interest and Principal amount of Long Term and Short Term Loan
*** Shareholder's Equity + Long Term Borrowings
**** Share Capital + Reetained Earnings excluding OCI Balance

As per our report of even date.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

For and on behalf of the Board of Directors

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai

Mithulal Shanar Lal Bapna
Director
DIN : 06383502
Place: Mumbai

Vijay Deshpande
Director
DIN : 08250378
Date: May 13, 2022

CELEBRATIONS APPAREL LIMITED

ANNUAL REPORT 2021-22

BOARD OF DIRECTORS	:	SHRI M.L. BAPNA SHRI VISHAL BIST SHRI VIJAY PATIL
STATUTORY AUDITORS	:	MESSERS. CHATURVEDI AND SHAH, CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	PLOT NO. 156/H NO. 2, VILLAGE ZADGAON, RATNAGIRI – 415612, MAHARASHTRA

CELEBRATIONS APPAREL LIMITED
(CIN: U18100PN2004PLC140524)

DIRECTORS' REPORT

To,
The Members
CELEBRATIONS APPAREL LIMITED

Your Directors take pleasure in presenting their Eighteen Annual Report together with the Audited Financial Statements for the year ended March 31, 2022.

1. FINANCIAL SUMMARY & HIGHLIGHTS OF PERFORMANCE

The Gross Revenue of the company for FY 2021-22 stood at Rs. NIL (Previous Year: Rs. 0.40 crore). The company earned a Profit after tax of Rs. 0.60 crore (Previous Year: Loss of Rs. 0.37 crore).

2. DIVIDEND

Your directors do not recommend any dividend for the financial year.

3. RESERVES

Your company has not transferred any amount to the reserves of the Company.

4. AUDITORS

M/s. Chaturvedi & Shah, Chartered Accountants (ICAI Firm Registration Number 101720W/W100355), were appointed as the Statutory Auditors of the Company at the 13th Annual General Meeting (AGM) held on 05th June 2017 to hold office from the conclusion of the 13th AGM till the conclusion of the 18th AGM of the Company.

The term of Messrs. Chaturvedi & Shah, Chartered Accountants (ICAI Firm Registration Number 101720W/W100355) expires at ensuing Annual General Meeting of the Company and are eligible for re-appointment. Since they have conveyed their unwillingness for being re-appointed as Statutory Auditors, the Board of Directors of the Company has recommended to appoint Messrs MGM & Company, Chartered Accountants (ICAI Firm Registration Number 117963W), as Statutory Auditors of the Company for a term of five years according to Section 139 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There has been no qualification, reservation or adverse remark or disclaimer made by the auditors in their audit report.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is regularly assessed and strengthened with standard operating procedures.

6. SHARE CAPITAL

The paid-up Equity Share Capital as on March 31, 2022 was Rs 2.71 crore divided into 27,10,000 equity shares of Rs 10 each. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2022, none of the Directors of the Company hold shares or convertible instruments of the Company in their individual capacity.

7. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, are given in the notes to the Financial Statements.

9. DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Vishal Bist, Director of the Company retires by rotation at the forthcoming Annual General Meeting and, being eligible offer himself for re-appointment.

Profiles of Director re-appointed at the ensuing AGM, as required by Secretarial Standard - 2 on General Meetings, are given in the notice of the ensuing AGM. The above re-appointment form a part of the notice of the ensuing AGM and the resolution is recommended for members' approval.

Your Board presently consists of following Directors:

S. No.	Name of the Director	Designation
1	Shri Vishal Bist	Non-Executive Director
2	Shri Vijay Patil	Non-Executive Director
3	Shri M L Bapna	Non-Executive Director

10. MEETINGS

During the year under review, four Board Meetings were held viz. April 30, 2021; July 23, 2021; October 22, 2021, and January 18, 2022.

Sr. No.	Name of Director	Date of Board Meetings			
		April 30, 2021	July 23, 2021	October22,2021	January 18,2022
1	Shri Vishal Bist	✓	✓	✓	✓
2	Shri Vijay Patil	✓	✓	✓	✓
3	Shri M L Bapna	✓	✓	✓	✓

11. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188(1) of the Companies Act, 2013. The Company has developed a

Related Party Transactions Manual and Standard Operating Procedures for purpose of identification and monitoring of such transactions.

12. RISK MANAGEMENT

The Company is exposed to risks from market fluctuations of foreign exchange rates, interest rates, commodity prices, business risks, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the same.

13. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
ii. the directors have selected such accounting policies and applied them consistently and have 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 profit of the company for that period;
iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
iv. the directors have prepared the annual accounts on a going concern basis; and
v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and such systems are adequate and operating effectively.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company had no manufacturing activities during the period under review, there were no steps undertaken by the Company and consequently no disclosure is made as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo.

15. ANNUAL RETURN

The draft Annual Return for FY21-22 has been placed on www.raymond.in.

16. PARTICULARS OF EMPLOYEES

The provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2022 is not applicable.

17. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

18. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l) of the Companies Act, 2013, there were no material changes and commitments for the period under review, which affects the financial position of the Company.

19. DISCLOSURE UNDER SEXUAL HARASSMENT ACT

Since the company does not have any employees, this disclosure under the above act is not applicable.

20. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

21. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

22. DISCLOSURES

No application has been made under the Insolvency and Bankruptcy Code. The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

23. RESIDUARY DISCLOSURES

During the year under review:

i. the Company has not issued equity shares with differential rights as to dividend, voting or otherwise. Hence, disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;

ii. the Company has not issued sweat equity shares to its employees. Hence, disclosure under Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;

iii. no Company have become or ceased to be its Subsidiaries, joint ventures or associate Companies. Hence, disclosure under Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is not applicable;

iv. provisions of Section 135 of the Act was not applicable to the Company, hence disclosure under section 134(3)(o) of the Act is not applicable;

v. Company does not have any Independent Directors, hence disclosure under section 134(3)(d) of the Act is not applicable;

vi. Company does not cover under provisions of 178 of the Act, hence disclosure under section 134(3)(e) of the Act is not applicable;

vii. Company does not cover under provisions of Rule 8(4) of the Companies (Accounts) Rules, 2014, hence disclosure under section 134(3)(p) of the Act is not applicable;

viii. the provisions of Section 125(2) of the Act, do not apply as there was no unclaimed dividend in the previous years.

ix. there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable.

x. Company was not required to Maintain the cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act were not applicable for the business activities carried out by the Company.

24. ACKNOWLEDGEMENT

The Board records its grateful appreciation for the co-operation, support and valuable guidance received from banks, central and state government authorities, customers and suppliers.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF CELEBRATIONS APPAREL LIMITED

	Sd/-	**Sd/-**
	M. L. Bapna	**Vijay Patil**
Mumbai	**(Director)**	**(Director)**
May 13, 2022	**DIN: 06383502**	**DIN: 07173161**

INDEPENDENT AUDITOR'S REPORT

To the Members of Celebrations Apparel Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Celebrations Apparel Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, and the Statement of Profit and Loss, Statement of Changes in Equity and 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.

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 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit (including other comprehensive income) , its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibility of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 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 statement 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.

The 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 scepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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.

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provide for any remuneration to its directors during the year.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has no pending litigations as on March 31, 2022

b. The Company has no long-term contracts including derivative contracts outstanding as on March 31, 2022

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

d. (a) Management has represented to us that , to the best of its knowledge and belief , and as disclosed in the notes to the accounts 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, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) Management has represented to us that, to the best of its knowledge and belief, and as disclosed in the notes to the account no funds have been received by the company from any person(s) or entity(is), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(c) based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances , nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2) (h) (iv) (a) & (b) contain any material misstatement.

e. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 22103418AJJNSI2372

Place: Mumbai
Date: 13 May 2022

Annexure A to Independent Auditor's Report – March 31, 2022

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of Celebrations Apparel Limited ('the Company') on the financial statements for the year ended March 31, 2022, we report the following:

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of investment property.

(B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) As explained to us, the investment property has been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

ii. As explained to us and on the basis of the records examined by us, the Company does not hold any inventory. Accordingly, clause 3(ii) of the Order is not applicable to the Company.

iii. In our opinion and according to the information and explanations provided to us, The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, The Company has not granted any loan or provided any guarantees or security to the parties covered under Section 185 of the Act and the company has not made investment hence, provision of Section 186 of the Act is not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from public and hence the directives issued by Reserve Bank of India and relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), the rules framed there under shall not apply. Accordingly, clause 3(v) of the Order is not applicable to the Company.

vi. According to the information and explanation given to us, pursuant to the rules made by The Central Government of India which does not specify the maintenance of cost record under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

vii. In respect of statutory dues:

(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute

viii. According to the information and explanations given to us and representation given to us by the management, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

ix.

(a) According to the information and explanations given to us, the Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) In our opinion and according to the information and explanations given to us, the Company has not taken any short-term loan. Hence reporting under clause 3(ix)(d) of the Order is not applicable.

(e) In our opinion and 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 subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x.

(a) During the year the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi.

(a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies 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 up to the date of this report.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year

xii. In our opinion and 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 to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with the companies (Indian Accounting Standards) Rules, 2015.Further, the Company is not required to constitute an Audit Committee Under section 177 of the Act, and Accordingly, to this extent, clause 3(xiii) of the Order is not applicable to the Company.

xiv. According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi.

a) To the best of our knowledge and according to the information and explanations provided to us , the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.

c) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) Based on the information and explanations given to us and as represented by the management of the Company, the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

xvii. The Company has not incurred cash losses during the current financial year and immediately preceding financial year covered under our audit.

xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, reporting under clause 3(xviii) of the order is not applicable to the company.

xix. 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 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 any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us, The Company does not fulfil the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 22103418AJJNSI2372

Place: Mumbai
Date: 13 May 2022

Annexure B to Independent Auditor's Report – March 31, 2022 on the Financial Statements of Celebrations Apparel Limited

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

We have audited the internal financial controls with reference to financial statement of Celebrations Apparel Limited ('the Company') as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 ("the 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") and the Standards on Auditing, issued by ICAI and 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 with reference to this financial statement and their operating effectiveness. Our audit of internal financial controls with reference to this financial statement included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting with reference to these 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 these 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 Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 22103418AJJNSI2372

Place: Mumbai
Date: 13 May 2022

Celebrations Apparel Limited

Statement of Assets & Liabilities as at 31st March 2022 (Rs. in Lakhs)

			Audited	Audited
		Note	**As at 31st March, 2022**	**As at 31st March, 2021**
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Investment Property	2	394.64	415.37
	(b) Assets For Income Tax (Net)		-	44.04
2	**Current assets**			
	(a) Financial Assets			
	(i) Trade receivables	3	-	28.35
	(ii) Cash and cash equivalents	4	8.96	8.55
	(iii) Other Financial Assets	5	151.57	55.45
	(b) Other current assets	6	1.45	0.64
	TOTAL ASSETS		**556.62**	**552.40**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	7A	271.00	271.00
	b) Other equity	7B	228.86	168.23
2	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Trade payables	8		
	a)Total outstanding dues of micro and small enterprises		-	-
	b)Total outstanding dues of other than micro and small enterprises		1.50	61.46
	(ii) Other financial liabilities	9	51.56	51.70
	(b) Other current liabilities	10	0.32	0.01
	c)Liablities for current tax		3.38	-
	TOTAL EQUITY AND LIABILITIES		**556.62**	**552.40**
	Statement of significant accounting policy	1		

The accompanying notes are an integral part of these financial statements

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/W100355

For and on behalf of the Board of Directors

Mithulal Bapna
Director
DIN : 06383502

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Date :-13th May 2022
Place: Mumbai

Vijay Patil
Director
DIN : 07173161

Celeberations Apparel Limited

Statement of Profit and Loss for the Year ended 31st March 2022 (Rs. in Lakhs)

		Note	Audited Year ended 31st March 2022	Audited Year ended 31st March 2021
I	Revenue from Operations	11	-	40.40
	Other Income	12	105.03	111.51
	Total Income		**105.03**	**151.91**
II	**EXPENSES**			
	Cost of materials consumed	13	-	43.27
	Employee benefits expense	14	3.46	3.17
	Depreciation and amortization expense	15	20.73	20.80
	Other expense	16	0.91	38.49
	Total Expenses		**25.10**	**105.73**
III	**Profit / (loss) before tax**		**79.93**	**46.18**
IV	**Tax expense**	17		
	Current tax/MAT tax		19.30	9.40
	MAT tax credit availed		-	-
	Deferred tax charge/(credit)		-	-
V	**Profit/(Loss) for the year (III-IV)**		**60.63**	**36.78**
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans Gain/(Loss)		-	-
	Tax effect of above - Gain/(Loss)		-	-
	Reversal of Deferred Tax Liability on Remeasurements of net defined benefit plans		-	-
VII	**Total Comprehensive Income for the year (V+VI)**		**60.63**	**36.78**
	Earnings per equity share of Rs. 10 each :			
	Basic(In Rs.)	27	2.24	1.36
	Diluted(In Rs.)	27	2.24	1.36
	Statement of significant accounting policy	1		

The accompanying notes are an integral part of these financial results

As per our attached Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/W100355

For and on behalf of the Board of Directors

Mithulal Bapna
Director
DIN : 06383502

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Date :-13th May 2022
Place: Mumbai

Vijay Patil
Director
DIN : 07173161

Celeberations Apparel Limited

Cash Flow Statement for the year ended 31st March 2022

	Year ended 31st March 2022	Year ended 31st March 2021
A. Cash flow arising from Operating Activities		
Profit before exceptional items & tax from continuing operations	**79.93**	**46.18**
Adjustments for:		
Interest Income	(2.26)	-
Depreciation and amortisation	20.73	20.80
	18.47	**20.80**
Operating cash before Working Capital changes	**98.40**	**66.98**
Changes in working capital		
(Increase)/Decrease in Inventories	-	24.95
(Increase)/Decrease in Trade receivables	28.35	930.34
(Increase)/Decrease in Other current assets and financial assets	(96.93)	(0.64)
Increase/(Decrease) in Trade payables	(59.96)	(1,035.94)
Increase/(Decrease) in Other current financial liabilities	(0.14)	0.10
Increase/(Decrease) in Other liabilities	0.31	(0.80)
	(128.37)	**(81.99)**
Increase/(decrease) in liability in current tax	28.12	(30.12)
Net Cash inflow / (outflow) in the course of Operating activities (A)	**(1.85)**	**(45.13)**
CASH FLOW FROM INVESTING ACTIVITIES:		
Inflow/(Outflow)		
Interest Income	2.26	-
(Purchase)/Sale of fixed assets	0.00	0.00
Sale Consideration on slump sale of business		
Net Cash outflow in the course of Investing activities (B)	**2.26**	**0.00**
C. Cash flow from Financing Activities		
Inflow/(Outflow)		
Loan repaid to Banks	-	(42.75)
Net cash inflow / (outflow) in the course of Financing activities (C)	**-**	**(42.75)**
Net Increase /(Decrease) in Cash and Cash equivalents (A+B+C)	0.41	(87.88)
Add: Balance at the beginning of the year	8.55	96.43
Cash and Cash equivalents (Refer Note: 4) at the close of the year	**8.96**	**8.55**

Statement of Significant Accounting Policies (Refer Note 1)
The accompanying notes are an integral part of these financial statements
As per our attached Report of even date
Notes:
1) The above Cashflow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS-7 on Statement of Cash Flows as referred to in Section 133 of the Companies Act, 2013

2) Changes in liabilities arising from financing activities

Year ended 31st March, 2022	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow (Repayments)/ Additions	Closing Balance
Long-term external borrowings	-		-	-

Year ended 31st March, 2021	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow (Repayments)/ Additions	Closing Balance
Long-term external borrowings	-		-	-

Year ended 31st March, 2022	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow Repayments	Closing Balance
Interest accrued on long term external borrowings	-	-	-	-

Year ended 31st March, 2021	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow Repayments	Closing Balance
Interest accrued on long term external borrowings	-	-	-	-

As per our attached Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/W100355

For and on behalf of the Board of Directors

Mithulal Bapna
Director
DIN : 06383502

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Date :-13th May 2022
Place: Mumbai

Vijay Patil
Director
DIN : 07173161

Celebrations Apparel Limited
Statement of Changes in Equity

A. Equity share capital **(Rs. In Lakhs)**

	Notes	Amount
As at 31 March 2021	7A	271.00
As at 31st March 2022		271.00

B. Other Equity **(Rs. In Lakhs)**

	Note	Reserves & Surplus (Retained Earnings)
Balance As at 31st March, 2020		**131.45**
Changes in accounting policy or prior period errors		-
Profit for the year	7B	36.78
Other Comprehensive Income for the year (Remeasurement of Net Defined Benefit Plans)		-
Total Comprehensive Income for the year		36.78
Balance As at 31st March, 2021		**168.23**
Changes in accounting policy or prior period errors		-
Profit for the year	7B	60.63
Other Comprehensive Income for the year (Remeasurement of Net Defined Benefit Plans)		-
Total Comprehensive Income for the year		60.63
Balance As at 31st March, 2022		**228.86**

As per our attached report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/W100355

For and on behalf of the Board of Directors

Mithulal Bapna
Director
DIN : 06383502

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Date :-13th May 2022
Place: Mumbai

Vijay Patil
Director
DIN : 07173161

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I. Background

Celebrations Apparel Limited ('CAL' or 'the Company') CIN 'U18100PN2004PLC140524' incorporated in India carries on business of trading of shirts. It has its network of operations in local as well foreign market. Celebration Apparel Limited is a 100% subsidiary of Raymond Limited.

II. Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS

These seperate financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting standards) Rules,2015 as amended and other relevant provisions of the Act.

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.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that are measured at fair value;

2) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of schedule III, unless otherwise stated.

(v) Recent Accounting Development / Pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Investment Property

Property that is held for long-term rental yields or for capital appreciation or for both, and that is not occupied by the Company, is classified as Investment Property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment, if any.
Depreciation on building is provided over its useful life using Straight Line Method (SLM), in a manner similar to PPE.

(d) Cash and Cash Equivalents

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

(e) Inventories

Inventories of Raw Material, Work in Progress, Finished Goods and Stores & Spares are stated at 'Cost or Net realizable value whichever is lower'. Goods-In-Transit are stated 'at cost'. Cost comprises all cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used is 'Weighted Average cost'. All the costs incurred on unfinished/finished jobs, but not invoiced and dispatched, under conversion contracts, are carried forward as "Accumulated Costs on Conversion Contracts" at cost or net realizable value whichever is lower. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on past experience of the company.

(f) Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following measurement categories:

* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
* those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

* **Amortised cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.
* **Fair value through other comprehensive income (FVOCI)**: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest revenue which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss and recognised in other income/expense. Interest income from these financial assets is included in other income using the effective interest rate method.
* **Fair value through profit and loss**: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

Equity instruments:

The Company measures its investment in subsidiaries, jointventures and assocites at cost less immaprment if any. The company subsequently measures all equity investments other than above at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

(iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv)Derecognition of Financial Assets

A financial asset is derecognized only when

1) The company has transferred the rights to receive cash flows from the financial asset; or
2) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.
Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition
Interest income
Interest income from debt instruments is recognised using the effective interest rate method.

Dividends
Dividends are recognised in the Statement of Profit and Loss only when the light to receive payment is established.

(g) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(h) Derivative financial instruments

Derivative financial instruments such as forward currency contracts, option contract and cross currency swap, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(i) Financial Liability

(i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(ii)Derecognition of Financial Liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(j) Provisions and contingent liabilities

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

A contingent asset is disclosed, where an inflow of economic benefits is probable. The Company does not recognize a contingent asset unless the recovery is virtually certain.

(k) Revenue recognition

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

As per IND AS 115 - Revenue from Contracts with Customers, entity shall recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. The control of the products and services were transfer at a time, where in performance obligation and control of goods or services transfered over a time.

Sale of goods:- In case of domestic customer, generally performance obligation satisfied and transferred the control when goods are dispatched or delivery is handed over to transporter, in case of export customers, generally performance obligation satisfied and transferred the control, when goods are shipped onboard based on bill of lading.

Other operating revenue - Export incentives
Export Incentives under the “Duty Draw back Scheme”, "Merchandise Exports Incentive Scheme (MEIS)" etc. is accounted in the year of export.
Sales Return
The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

(l) Employee benefits

(i) Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised 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.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An acturail valution is obtained at the end of reproting period.The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:
(a) defined benefit plans such as gratuity; and
(b) defined contribution plans such as provident fund.

Gratuity obligations
The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss Account as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Company.The interest payable by the Trust is notified by the Government. The Company has an obligation to make good the shortfall, if any.

Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b)when the company recognises costs for are structuring that is within the scope of Ind AS37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(m) Foreign currency transactions

Functional and presentation currency

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Celeberations Apparel Limited's functional and presentation currency.

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(n) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arrising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determind using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defferd income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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 off set where the company 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.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

(o) Earnings Per Share

Basic earnings per share
Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(p) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(q) Accounting Policy- Cash Flow:

Cash flows are reported using the indirect method, whereby profit for the period 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 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. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

III. Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of asets and liabilities within the next financial year, are described below:

1) Useful life of Property, Plant and Equipment including intangible asset: Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively,if appropriate.
2) Taxes: The Company provides for tax considering the applicable tax regulations and based on probable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.
The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized.
3) Provisions and Contingent liabilities are reviewed at each balance sheet date and adjusted to reflect best estimate.
4) Estimate with respect to uncertainities related to Covid 19. (Refer Note 24)

Celebrations Apparel Limited
Notes to the financial statements

2 Investment Property

(Rs. in lakhs)

	Freehold Land	**Buildings**	**Total**
Balance As at 31st March, 2020	**58.66**	**481.46**	**540.12**
Additions			**-**
Disposals			**-**
Balance As at 31st March, 2021	**58.66**	**481.46**	**540.12**
Additions			**-**
Disposals			**-**
Balance As at 31st March, 2022	**58.66**	**481.46**	**540.12**
Accumulated Depreciation			
Balance As at 31st March, 2020	**-**	**103.95**	**103.95**
Charge for the period	-	20.80	20.80
Disposals	**-**		-
Balance As at 31st March, 2021	**-**	**124.75**	**124.75**
Charge for the period	-	20.73	20.73
Disposals	**-**		-
Balance As at 31st March, 2022	**-**	**145.48**	**145.48**
Net Carrying Amount			
Balance As at 31st March, 2022	**58.66**	**335.98**	**394.64**
Balance As at 31st March, 2021	58.66	356.71	415.37

Note :

(a) Fair value of Investment Properties Land is Rs. 2178.50 Lacs (approx.) (PY Rs. 2179.30 Lacs (approx.) and Building Rs. 1009.33 (approx.)(PY Rs. 658.32 (approx.)) - Total Rs. 3187.83 Lacs (approx.) as at 31st March 2022.(PY Rs. 2837.62 Lacs (approx.))
(b) Amount recognized in the statement of profit and loss:

(Rs. in lakhs)

	21-22	20-21
Rental Income	102.69	102.69
Operating expense for property	20.73	20.80

3 Trade receivables

	As at 31st March, 2022	As at 31st March, 2021
Trade receivables	-	-
Receivables from related parties (Refer Note 19)	-	28.35
Less: Allowance for bad and doubtful debts	-	-
Total	**-**	**28.35**

2020-21	Not due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed							
Related Parties	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Less:- Provision	-	-	-	-	-	-	-
Net Disputed(a)	-	-	-	-	-	-	-
Secured disputed	-	-	-	-	-	-	-
Unsecured Disputed	-	-	-	-	-	-	-
Undisputed							
Related Parties	6.64	-	-	21.71	-	-	28.35
Others	-	-	-	-	-	-	-
Less:- Provision	-	-	-	-	-	-	-
Net Undisputed(b)	**6.64**	**-**	**-**	**21.71**	**-**	**-**	**28.35**
Secured Undisputed							
Unsecured Undisputed	**6.64**	**-**	**-**	**21.71**	**-**	**-**	**28.35**
TOTAL(a+b)	**6.64**	**-**	**-**	**21.71**	**-**	**-**	**28.35**
Total Secured	-	-	-	-	-	-	-
Total Unsecured	**6.64**	**-**	**-**	**21.71**	**-**	**-**	**28.35**

4 Cash and cash equivalents

	As at 31st March, 2022	As at 31st March, 2021
Balances with Banks		
In current accounts	8.96	8.55
Total	**8.96**	**8.55**

5 Other Financial Assets

	As at 31st March, 2022	As at 31st March, 2021
(Unsecured, considered good)		
Other Receivable from Related Party(Refer Note 19)	151.57	55.45
Total	**151.57**	**55.45**

6 Other current assets

	As at 31st March, 2022	As at 31st March, 2021
Balance with Government Authorities, considered good	0.64	0.64
Other advances	0.81	-
Total	**1.45**	**0.64**

Celebrations Apparel Limited
Notes to the financial statements

7A Equity Share capital **(Rs. In Lakhs)**

	As at 31st March, 2022	As at 31st March, 2021
Authorised		
50,000,000 [31st March, 2021: 50,000,000] Equity Shares of Rs. 10 each	5,000.00	5,000.00
Issued, subscribed and fully paid up		
2,710,000 [31st March, 2021: 2,710,000] Equity Shares of Rs. 10 each	271.00	271.00
Total	**271.00**	**271.00**

a) Reconciliation of number of shares **(Rs In Lakhs)**

	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	27,10,000	271.00	27,10,000	271.00
Balance as at the end of the year	**27,10,000**	**271.00**	**27,10,000**	**271.00**

b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shares held by Holding Company

	As at 31st March, 2022	As at 31st March, 2021
Raymond Ltd.(along with Nominees)	27,10,000	27,10,000

d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31st March, 2022		As at 31st March, 2021	
	%	No. of Shares	%	No. of Shares
Raymond Ltd.	100	27,10,000	100	27,10,000

Celebrations Apparel Limited
Notes to the financial statements

7B. Other Equity **(Rs. In Lakhs)**

	Reserves & Surplus (Retained Earnings)
Balance As at 31st March, 2020	**131.45**
Changes in accounting policy or prior period errors	-
Profit for the year	36.78
Other Comprehensive Income for the year (Remeasurement of Net Defined Benefit Plans)	-
Total Comprehensive Income for the year	36.78
Balance As at 31st March, 2021	**168.23**
Changes in accounting policy or prior period errors	-
Profit for the year	60.63
Other Comprehensive Income for the year (Remeasurement of Net Defined Benefit Plans)	-
Total Comprehensive Income for the year	60.63
Balance As at 31st March, 2022	**228.86**

Celebrations Apparel Limited
Notes to the financial statements

8 Trade payables

	As at 31st March, 2022	As at 31st March, 2021
Trade payables*		
Amounts due to micro and small enterprise	-	-
Amount payable to related parties [Refer note 19]	-	52.25
Others	1.50	9.21
Total	**1.50**	**61.46**

*Includes Provision for expenses

Disclosure of amount payable to vendors as defined as "micro, Small & Medium Enterprise Act, 2006" is based on the information available with the company regarding the status of registration of such vendors under the said Act. There are no overedue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Steet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

2021-22

	Not due	Less than 1 year	1- 2 year	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	**-**	**-**	**-**	**-**	**-**	**-**
Undisputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	1.50	-	-	-	-	1.50
Net undisputed(b)	**1.50**	**-**	**-**	**-**	**-**	**1.50**
Total (a+b)	**1.50**	**-**	**-**	**-**	**-**	**1.50**

2020-21

	Not due	Less than 1 year	1- 2 year	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	**-**	**-**	**-**	**-**	**-**	**-**
Undisputed						
Related Parties		20.87	31.38			52.25
MSME						-
Others	9.21					9.21
Net undisputed(b)	**9.21**	**20.87**	**31.38**	**-**	**-**	**61.46**
Total (a+b)	**9.21**	**20.87**	**31.38**	**-**	**-**	**61.46**

Refer note 21 for information about liquidity risk and market risk of trade payables.

9 Other financial liabilities

	As at 31st March, 2022	As at 31st March, 2021
(a) Salary and Wages payable	0.22	0.37
(h) Derivative financial instruments	-	-
(b) Security Deposits received	51.34	51.33
Total	**51.56**	**51.70**

10 Other Current liabilities

	As at 31st March, 2022	As at 31st March, 2021
Statutory dues	0.32	0.01
Total	**0.32**	**0.01**

Celebrations Apparel Limited
Notes to the financial statements

11 Revenue from Operations

	Year ended 31st March 2022	Year ended 31st March 2021
Sale of Products (Manufactured & Traded Goods)	-	40.40
Total	**-**	**40.40**

12 Other income

	Year ended 31st March 2022	Year ended 31st March 2021
Interest income	2.26	-
Exchange Fluctuation Gain (Net)	0.08	1.06
Rent Income	102.69	102.69
Other non-operating income	-	7.76
Total	**105.03**	**111.51**

13 Cost of materials consumed

	Year ended 31st March 2022	Year ended 31st March 2021
Raw materials & Trading Goods consumed		
Opening Stock	-	-
Purchases	-	43.27
Less : Closing Stock	-	-
(# Includes cost of packing material consumed during the year)		
Total	**-**	**43.27**

14 Employee benefits expense

	Year ended 31st March 2022	Year ended 31st March 2021
Salaries and wages	3.17	2.95
Contribution to provident funds and other funds	0.21	0.19
Workmen and Staff welfare expenses	0.08	0.03
Total	**3.46**	**3.17**

15 Depreciation and amortization expense

	Year ended 31st March 2022	Year ended 31st March 2021
Depreciation on Investment Property/Property, Plant and Equipment (Refer note 2)	20.73	20.80
Total	**20.73**	**20.80**

16 Other expense

	Year ended 31st March 2022	Year ended 31st March 2021
Insurance	-	10.88
Rates and Taxes	0.05	-
Freight, Octroi, etc	-	4.65
Legal and Professional Expenses	0.85	16.34
Miscellaneous Expenses	0.01	6.62
Total	**0.91**	**38.49**

Details of Payment to Auditor (included in Legal and Professional Expenses)

	Year ended 31st March 2022	Year ended 31st March 2021
Audit Fees	0.25	2.81
Reimbursement of Expenses	-	-
Other Services	-	2.00
Total	**0.25**	**4.81**

17 Income taxes

Tax expense recognised in the Statement of Profit and Loss **(Rs in lakhs)**

	Year ended 31st March, 2022	Year ended 31st March, 2021
Current tax		
Current year	19.30	9.40
MAT credit entitlement	-	-
Total current tax	**19.30**	**9.40**
Deferred tax		
Origination and reversal of temporary difference	-	-
Change in tax rates		
Total deferred income tax expense/(credit)	**-**	**-**
Total income tax expense/(credit)	**19.30**	**9.40**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

	Year ended 31st March, 2022	Year ended 31st March, 2021
Reconciliation of effective tax rate		
Profit Before Tax	79.93	46.18
Enacted income tax rate in India	25.17%	25.17%
Tax Amount	20.12	11.62
Differences due to:		
Expenses not deductible for tax purpose	(0.82)	(2.22)
Total	**19.30**	**9.40**
Effective tax rate	**24.15%**	**20.36%**

The effective tax rate was 24.15.% (2020-21: -20.36%).

18 Contingent liabilities/Contigent Assets

The company donot have any contingent liabilities/contingent assets/any pending litigation as at end of the year.

Celebrations Apparel Limited
Notes to the financial statements

19 Related Party disclosures as per Ind AS - 24
1. Relationships
a. Holding Company - Raymond Limited

b. Fellow Subsidiary Companies

Silver Spark Apparel Limited
Raymond Luxury Cottons Limited.

c) Key management personnel
Vishal Bist - Director
Mithulal Bapna - Director
Vijay Patil - Director

2. Transactions carried out with related parties referred in 1 above, in ordinary course of business :

Nature of Transactions	Referred in 1 (a) above	Referred in 1 (b) above
Income		
	-	
Sales		
Silver Spark Apparel Limited	-	-
	-	0.01
Rent Income	-	
Silver Spark Apparel Limited	-	102.69
	-	102.69
		-

(Previous year figures are in brackets)

	31st March, 2022	31st March, 2021
Outstandings :		
Payable		
Holding Company		
Raymond Limited	-	21.94
Fellow Subsidiaries		
Raymond Luxury Cotton Limited	-	30.31
Silver Spark Apparel Limited	-	0.00
Receivable		
Fellow Subsidiaries		
Silver Spark Apparel Limited	-	28.35
Other receivable		
Fellow Subsidiaries		
Silver Spark Apparel Limited	151.59	55.45
Deposit Taken		
Silver Spark Apparel Limited	51.34	51.34

Celebrations Apparel Limited
Notes to the financial statements

20. Fair Value measurement

Financial Instrument by catogory and hierarchy

The fair values of the financial assets and liabilities are 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:
1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

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

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(Rs. In Lakhs)

Financial Assets and Liabilities as at 31st March, 2022				Routed through P & L				Routed through OCI				Carrying at amortised cost	Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets													
Other Assets													
Loans to Employees	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Financial Assets	-	151.57	151.57	-	-	-	-	-	-	-	-	151.57	151.57
Trade receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and Cash equivalents	-	8.96	8.96	-	-	-	-	-	-	-	-	8.96	8.96
Other Bank Balance	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	**160.53**	**160.53**	-	-	-	-	-	-	-	-	**160.53**	**160.53**
Financial Liabilities													
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	51.56	51.56	-	-	-	-	-	-	-	-	51.56	51.56
Trade Payables	-	1.50	1.50	-	-	-	-	-	-	-	-	1.50	1.50
	-	**53.06**	**53.06**	-	-	-	-	-	-	-	-	**53.06**	**53.06**

(Rs. In Lakhs)

Financial Assets and Liabilities as at 31st March, 2021				Routed through P & L				Routed through OCI				Carrying at amortised cost	Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets													
Other Assets													
Loans to Employees	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Financial Assets	-	55.45	55.45	-	-	-	-	-	-	-	-	55.45	55.45
Trade receivable	-	28.35	28.35	-	-	-	-	-	-	-	-	28.35	28.35
Cash and Cash equivalents	-	8.55	8.55	-	-	-	-	-	-	-	-	8.55	8.55
Other Bank Balance	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	**92.35**	**92.35**	-	-	-	-	-	-	-	-	**92.35**	**92.35**
Financial Liabilities													
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	51.70	51.70	-	-	-	-	-	-	-	-	51.70	51.70
Trade Payables	-	61.46	61.46	-	-	-	-	-	-	-	-	61.46	61.46
	-	**113.16**	**113.16**	-	-	-	-	-	-	-	-	**113.16**	**113.16**

Fair value of financial assets and liabilities measured at amortised cost -

Financial Assets and Liabilities	As at 31st March, 2022		As at 31st March, 2021	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Other Financial Assets	151.57	151.57	55.45	55.45
Trade receivable	-	-	28.35	28.35
Cash and Cash equivalents	8.96	8.96	8.55	8.55
Other Bank Balance	-	-	-	-
	160.53	**160.53**	**92.35**	**92.35**
Financial Liabilities				
Borrowings	-	-	-	-
Other Financial Liabilities	51.56	51.56	51.70	51.70
Trade Payables	1.50	1.50	61.46	61.46
	53.06	**53.06**	**113.16**	**113.16**

Note - The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short term nature.

Celebrations Apparel Limited
Notes to the financial statements

21 Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables, loans and borrowings.

The Company manges market risk through a treasury departments, which evalutates and exercises independent control over the entire process of market risk management. The treasury department recommend risk mangament objectives and policies, which are approved by Senior Management and the Audit Committee. The acitivies of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

Market Risk- Foreign currency risk.

The Company operates internationally and portion of the business is transacted in different currencies and consequently the company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods and services in the respective currencies.

Derivative instruments and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date

(Foreign currency in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Forward contracts to sell USD	USD	-	USD	-

(b) Particulars of unhedged foreign currency exposures as at the reporting date

As at 31st March, 2022

Particulars	GBP	EUR	USD
Receivable	-	-	-
Payable	-	-	-

As at 31st March, 2021

Particulars	GBP	EUR	USD
Receivable	-	-	-
Payable	-	-	0.04

Foreign Currency Risk Sensitivity
A change of 1% in Foreign currency would have following Impact on profit before tax

(Rs in lacs)

	2021-2022		2020-2021	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	-	-	(0.03)	0.03
EURO	-	-	-	-
GBP	-	-	-	-
Increase / (decrease) in profit or loss	**-**	**-**	**(0.03)**	**0.03**

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the opertaing results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements .

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments or on case to case basis. Where loans or receivables have been written off, the company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates.Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Ageing of Account receivables

(Rs in lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Not due	-	-
0-3 months	-	28.35
3-6 months	-	-
6 months to 12 months	-	-
beyond 12 months	-	-
Total	**-**	**28.35**

Liquidity Risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time, or at a reasonable price. The group's treasury deparment is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity patterns of other Financial Liabilities

As at 31st March, 2022 **(Rs in lakhs)**

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	-	1.50				1.50
Other Financial liabilities (Current and Non Current)	-	51.56	-		-	51.56
Total	**-**	**53.06**	**-**	**-**	**-**	**53.06**

As at 31st March, 2021

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	6.68	0.07	0.07	19.43	35.21	61.46
Other Financial liabilities (Current and Non Current)	-	51.70	-	-		51.70
Total	**6.68**	**51.77**	**0.07**	**19.43**	**35.21**	**113.16**

Celebrations Apparel Limited
Notes to the financial statements

22 Capital risk management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

23 Other statutory information

1 DETAILS OF BENAMI PROPERTY HELD

The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

2 RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company do not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

3 WILLFUL DEFAULTER

The Company has not been declared a willful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

4 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

5 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

6 The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(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.

7 The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company 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.

8 UNDISCLOSED INCOME

The Company has not 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.

9 REVALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year

10 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017

24 The Company has considered the possible effects that may result from COVID-19 in the preparation of these financial statements. The Company believes that pandemic is unlikely to impact on the recoverability of the carrying value of its assets as at March 31, 2022. Based on the current year performance and estimates arrived at using internal and external sources of information, the Company does not expect any material impact on such carrying values. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business. The Company is taking all necessary measures to secure the health and safety of its employees, workers and their families.

25 The ratios for the years ended March 31, 2022 and March 31, 2021 are as follows:

	Year ended 31st March 2022	Year ended 31st March 2021	Numerator	Denominator	Variation	
Current Ratio(in times)	2.85	0.82	Current assets	Current liabilities	247%	The Current ratio has increased from 0.82 to 2.85 as current assets has gone up from Rs 92.99 lacs as on Mar 21 to 161.98 lacs as on Mar 22 and Current liability has gone down by Rs 113.17 lacs as on Mar 21 to 56.76 lacs as on Mar 22
Debt- Equity Ratio	-	-	Total debt = [Long term borrowings including current maturities + current borrowings]	Equity= Issued share capital + Other equity		Company does not have any Borrowings during the year and as at year end and accordingly this ratio is not applicable.
Debt- Service Coverage Ratio	-	-	Earnings available for debt service = Profit before tax - gain on disposal of discontinued operation + finance costs + depreciation and amortisation expense	Debt service = Interest + Principal repayments		Company does not have any Borrowings during the year and as at year end and accordingly this ratio is not applicable.
Return on equity Ratio(%)	12.91%	8.74%	Net profits after taxes	Average total equity	48%	'The return on equity ratio is improved from 8.74% in FY 20-21 to Rs. 12.91% in FY 21-22 as net profit has increased from Rs. 36.78 Lacs in FY 20-21 to Rs. 60.63 Lacs in FY 21-22
Inventory Turnover Ratio	-	-	Cost of Goods Sold	Average inventory		Company does not have any operational activities and accordingly company does not have sales/ purchase/ inventory and profitability from operations. Accordingly these ratio's are not applicable.
Trade receivable Turnover Ratio	-	-	Revenue from sale of products and services	Average trade receivables		
Trade Payable turnover Ratio	-	-	Net purchases of goods = Purchase of raw materials included in cost of raw materials consumed + Purchases of stock in trade	Average Trade Payables		
Net Capital Turnover Ratio	-	-	Revenue from operations	Working capital = Current assets - Current liabilities		
Net profit Ratio(%)	-	91.04%	Net profit after tax	Revenue from operations	-100%	In current year revenue from operation is Nil
Return on Capital employed Ratio(%)	17.59%	10.97%	Earnings before interest and taxes (including other income)	Capital Employed = Average total equity + Average Total Debt	60%	The return on capital employed ratio has improved from 10.97% in FY 20-21 to 17.59% in FY 21-22 as earning before interest and tax is increased from Rs. 46.18 Lacs in FY 20-21 to Rs. 79.93 Lacs in FY 21-22
Return on Investment (%)	12.91%	8.74%	Profit After Tax	Average Shareholder Equity	48%	The return on investment ratio has improved from 8.74% in FY 20-21 to 12.91% in FY 21-22 as net profit is increased from Rs. 36.78 Lacs in FY 20-21 to Rs. 60.63 Lacs in FY 21-22

26 Previous year figures have been re-grouped/rearranged wherever necessary to conform to the current year's classification.

27 Earnings per share

	Year ended 31st March 2022	Year ended 31st March 2021
Earnings Per Share has been computed as under:		
Profit/(Loss) for the year (Rs. in lakhs)	60.63	36.78
Weighted average number of equity shares outstanding (No. in lakhs)	27.10	27.10
Earnings Per Share (Rs.) - Basic (Face value of Re. 10 per share)		
Basic	2.24	1.36
Diluted	2.24	1.36

As per our report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/W100355

For and on behalf of the Board of Directors

Mithulal Bapna
Director
DIN : 06383502

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Date :-13th May 2022
Place - Mumbai

Vijay Patil
Director
DIN : 07173161

JK Files & Engineering Limited

(formerly known as JK FILES (INDIA) LIMITED)

ANNUAL REPORT 2021-22

BOARD OF DIRECTORS	:	SHRI RAVIKANT UPPAL SHRI GAUTAM HARI SINGHANIA (*appointed on 17.11.2021)* SHRI VIJAY BHATT (*appointed on 17.11.2021)* SHRI SATISH SEKHRI (*appointed on 17.11.2021)* SHRI RASHMI MUNDADA SHRI V. BALASUBRAMANIAN SHRI K. A. NARAYAN (*resigned on 17.11.2021)* SHRI GANESHKUMAR SUBRAMANIAN *(resigned on 17.11.2021)* SHRI HUKUMCHAND LAKHOTIYA (*resigned as Whole Time Director on 15.11.2021)*
MANAGING DIRECTOR	:	SHRI BALASUBRAMANIAN VISHWANATHAN (*appointed on 17.11.2021)*
CHIEF FINANCIAL OFFICER	:	SHRI SRINIVASAN GANAPATHY (*resigned on 15.11.2021)* SHRI ARUN AGARWAL (*appointed on 17.11.2021)*
COMPANY SECRETARY	:	SHRI WAQAR SIDDIQUI *(resigned on 27.09.2021)* SHRI AKSHAT CHECHANI *(appointed on 27.09.2021)*
STATUTORY AUDITORS	:	MESSRS. PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
SECRETARIAL AUDITOR	:	MESSRS. DM & ASSOCIATES, COMPANY SECRETARIES LLP.
INTERNAL AUDITORS	:	MESSRS. ERNST & YOUNG LLP, CHARTERED ACCOUNT
REGISTERED OFFICE	:	NEW HIND HOUSE, NAROTTAM MORARJI MARG, BALLARD ESTATE, MUMBAI – 400 001 MAHARASHTRA
REGISTRAR AND SHARE TRANSFER AGENT	:	KFIN TECHNOLOGIES LIMITED SELENIUM BUILDING, TOWER-B, PLOT NO 31 & 32, FINANCIAL DISTRICT, NANAKRAMGUDA, SERILINGAMPALLY, HYDERABAD, RANGAREDDI, TELANGANA, INDIA - 500 032.

JK FILES & ENGINEERING LIMITED
(formerly known as JK FILES (INDIA) LIMITED)
CIN: U27104MH1997PLC105955

DIRECTORS' REPORT

To,
The Members of JK FILES & ENGINEERING LIMITED

Your Directors present their **Twenty Fifth** Annual Report on the business and Operations of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2022.

1. FINANCIAL HIGHLIGHTS / OPERATIONAL PERFORMANCE

This company manufactures steel files and cutting tool and markets, hands tools and power tools. It is the leading manufacturer of steel files in the world with a domestic market share of ~60%.

Your Company reported a Standalone Gross Revenue of Rs. 502.92 Crore for the FY 2022 (Previous Year: Rs. 348.07 Crore). The Company registered a profit before exceptional item of Rs. 64.95 Crore (Previous year profit of Rs. 32.90 Crore). The Company registered a Profit after Tax of Rs. 58.71 Crore (Previous Year: Profit of Rs. 24.49 Crore).

On a consolidated basis, during the year under review, the Company reported a Gross Revenue of Rs. 812.01 Crore as against Rs. 541.51 Crore (as per the restated consolidated accounts for FY 2021) Restated Profit after Tax on a consolidated basis for FY 2022 was Rs. 84.42 Crore.

2. CHANGE OF NAME

During the year under review, your Company has changed its name from "**JK Files (India) Limited**" to "**JK Files & Engineering Limited**" with effect from November 10, 2021. The new name represents the Company's capabilities in both Industrial Files as well as Engineering business segments.

3. ALTERATION OF ARTICLES OF ASSOCIATION

The Company adopted a new set of Articles of Association in line with the requirements of the Companies Act, 2013 and the Rules made thereunder at an Extra-ordinary Meeting of shareholders held on November 18, 2021.

4. MATERIAL CHANGES AND COMMITMENT – IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT

There has been no material change and commitment, affecting the financial performance of the Company which occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of this Report, except for the impact arising out of COVID-19, which is detailed in this Report.

5. COVID-19 AND ITS IMPACT

Your Company is in the business of manufactures steel files and cutting tool and markets hands tools and power tools and, a key supplier in tools and hardware supply chain market. Files and cutting tools are going to remain key and a top priority going forward as well. Further, there are significant geographic, new customer and new proposition opportunities that will continue to drive growth in mid and long term.

The management of the Company has carried out a detailed assessment for impact of ongoing COVID-19 pandemic on its business operations (including liquidity position) and concluded that no material adjustments are considered necessary in the financial statements as at March 31, 2022. Further, based on the current scenario, the management does not foresee any material impact in the subsequent periods as well.

6. DIVIDEND

During the year, the Company paid an interim dividend of Rs. 4 per equity share. Your Directors do not recommend payment of final dividend for the financial year under review.

7. RESERVES

Your company has not transferred any amount to the reserves of the Company.

8. INITIAL PUBLIC OFFER

The Company filed a Draft Herring Prospectus with Securities and Exchange Board of India on December 08, 2021 for undertaking an initial public offer of equity shares of the Company for an amount not exceeding Rs. 800 Crore. The approval from SEBI on the document was received on February 23, 2022.

The Company is yet to file the Red Herring Prospectus and is optimistic on accessing the capital market in FY2022-23.

9. SUBSDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

RING PLUS AQUA LIMITED (RPAL)

This Company was acquired during the year under review and your company holds 89.07% of equity shares of this company.

This company is in the business of manufacturing ring gears, flexplates and water pump bearings. RPAL operates three manufacturing facilities in India located in the industrial belt of Nashik, Maharashtra. During FY 2021-22, the Gross Revenue of the company stood at Rs. 312.02 Crore (Previous Year: Rs. 197.31 Crore). The Company reported a profit after tax of Rs. 38.73 Crore during FY 2021-22 (Previous Year: Profit of Rs. 22.52 Crore).

JK TALABOT LIMITED

Your company holds 90% of equity shares of this company and the remaining 10% equity shares are held by M.O.B. Mondelin SAS, France.

This company manufactures files and rasps at its plant at Chiplun in Ratnagiri District, in the State of Maharashtra. During FY 2021-22, the Gross Revenue of the company stood at Rs. 28.56 Crore (Previous Year: Rs. 20.19 Crore). The Company reported a profit after tax of Rs. 88 Lakh during FY 2021-22 (Previous Year: Rs. 1.09 Crore).

SCISSORS ENGINEERING PRODUCTS LIMITED

During the year under review, as part of the consolidation of Engineering Business of Raymond Limited, holding company, this company was acquired and made into a wholly-owned subsidiary. This Company currently does not have any performance to report.

10. CONSOLIDATED ACCOUNTS

In accordance with the requirements of Indian Accounting Standard (Ind AS 110) – Consolidated Financial Statements, the Consolidated Accounts of the Company have been prepared. Pursuant to Section 129(3) of the Companies Act, 2013 read with Rules made thereunder, a statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures is given in Form AOC-1 and forms an integral part of this Annual Report.

11. AUDITORS

a. STATUTORY AUDIT

M/s Price Waterhouse Chartered Accountants LLP (ICAI Firm Registration Number FRN 012754N/N500016), registered with the Institute of Chartered Accountants of India, were appointed as the Statutory Auditor of the Company for the period of five consecutive years at the Annual General Meeting (AGM) of the members held on June 02, 2017 to hold office from the conclusion of the 20th Annual General meeting of the company till the conclusion of the 25th Annual General meeting at a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors.

Accordingly, M/s Price Waterhouse Chartered Accountants LLP will cease to be the Statutory Auditors of the Company effective from the conclusion of the ensuing AGM. The Board of Directors at their meeting held on May 14, 2022 have considered the re-appointment of M/s Price Waterhouse Chartered Accountants LLP as Statutory Auditors of the Company for a period of five consecutive years from conclusion of the ensuing AGM. Proposal relating to their re-appointment along with requite details forms part of the Notice convening the 25th AGM.

The Statutory Auditors' Report forms part of the Annual Report. There is no audit qualification, reservation or adverse remark for the year under review. There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

b. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s. DM & Associates Company Secretaries LLP to undertake the Secretarial Audit Report of the Company. The Secretarial Audit Report is included as **Annexure – A** and forms an integral part of this Report. There is no secretarial audit qualification for the year under review.

12. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new / revised standard operating procedures. The Company has entrusted the internal and operational audit to M/s. Ernst & Young LLP, a reputed firm of Chartered Accountants. The thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of control mechanism. The Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken.

13. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

14. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

15. SHARE CAPITAL

The paid up Share Capital as on March 31, 2021 was Rs. 10.48 Crore.

a. Sub-division of Shares

During the year under review, your Company has Sub-divided the equity shares of the Company of face value of Rs. 10/- each into 5 (five) Equity shares of face value of Rs. 2/- each in compliance to the provision of Section 61(d), 64 and any other applicable provisions on the Company at its Extraordinary General Meeting of members held on October 28, 2021.

b. Issue of Bonus Shares

During the year under review, the company has issued Bonus Shares in accordance with section 63 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder by capitalization of such sum standing to the credit of free reserves of the company for issuance of fully paid-up Bonus Shares of Rs. 2/- (Rupees two only) each to existing members of the company in proportion of 1 (one) equity share for every 5 (five) existing equity share held at its Extraordinary General Meeting of members held on October 28, 2021. During the year under review, the Company has not issued any shares with differential voting rights neither granted stock options nor sweat equity. As on March 31, 2022, none of the Directors or Key Managerial Personnel of the Company holds any Shares or convertible instruments of the Company.

16. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

18. DIRECTORS

a. Changes in Directors and Key Managerial Personnel

i. Directors:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Balasubramanian Vishwanathan (DIN: 05222476), Managing Director of the Company retires by rotation at the forthcoming Annual General Meeting and, being eligible offer himself for re-appointment.

During the year under review, the Board of Directors at their meeting on November 17, 2021 has appointed Shri Gautam Hari Singhania (DIN: 00020088) as an Additional director, Shri Vijay Bhatt (DIN: 00751001) as an Additional Director and Shri Satish Sekhri (DIN: 00211478) as an Additional Director of the Company. Also, Shri Hukumchand Lakhotiya (DIN: 09043106) has resigned as Director and Whole Time Director of the Company with effect from November 15, 2021 and Shri Ganeshkumar Subramanian (DIN: 00088163) and Shri K. A. Narayan (DIN: 00950589) has resigned as Director with effect from November 17, 2021. Shri Balasubramanian Vishwanathan was appointed as Managing Director (Key Managerial Personnel) of the Company by the Board of Directors at their meeting held on November 17, 2021.

In Extraordinary General Meeting held on November 18, 2021, members regularised the appointment of Shri Balasubramanian Vishwanathan as Managing Director and Shri Gautam Hari Singhania, Shri Vijay Bhatt and Satish Sekhri as Director of the Company respectively.

Pursuant to Section 149 of the Companies Act, 2013, Shri Vijay Bhatt and Shri Satish Sekhri are the Independent Directors of the Company and Smt. Rashmi Mundada continues to be an Independent Women Director of the Company. The Independent Directors have given declarations that they meet criteria of independence as laid down under Section 149(7) of the Companies Act, 2013.

During the year, Eleven Board Meetings were held.

DIRECTOR	DATE OF BOARD MEETING										
	03.05.21	26.07.21	27.09.21	25.10.21	17.11.2021	30.11.2021	01.12.21	01.12.21	19.01.22	08.03.22	10.03.22
Ravikant Uppal	✓	✓	✓	✓	-	✓	✓	-	✓	✓	✓
Ganeshkumar S*	✓	✓	✓	✓	✓	NA	NA	NA	NA	NA	NA
K. A. Narayan**	✓	✓	✓	-	-	NA	NA	NA	NA	NA	NA
Rashmi Mundada	✓	✓	✓	✓	-	✓	✓	✓	✓	✓	✓
Balasubramanian V	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Hukumchand Lakhotiya%	✓	✓	✓	✓	NA	NA	NA	NA	NA	NA	NA
Gautam Hari Singhania^	NA	NA	NA	NA	NA	-	-	✓	✓	✓	✓
Vijay Bhatt#	NA	NA	NA	NA	NA	✓	✓	-	✓	✓	✓
Satish Sekhri~	NA	NA	NA	NA	NA	✓	✓	-	✓	✓	✓

*Shri Ganeshkumar Subramanian resigned w.e.f. November 17, 2021.

**Shri K. A. Narayan resigned w.e.f. November 17, 2021

%Shri Hukumchand Lakhotiya resigned w.e.f. November 15, 2021

^Shri Gautam Hari Singhania was appointed as Additional Director on November 17, 2021

#Shri Vijay Bhatt was appointed as Additional and Independent Director on November 17, 2021

~Shri Satish Sekhri was appointed as Additional and Independent Director on November 17, 2021

ii. DECLARATION BY INDEPENDENT DIRECTORS

The Independent Director has given declaration that she meets the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013. She has also confirmed that she has complied with Schedule IV of the Act and the Company's Code of Conduct.

The Ministry of Corporate Affairs vide Notification Number G.S.R. 804(E) dated October 22, 2020 and effective from December 01, 2020 has introduced an amendment relating to inclusion of names of Independent Directors in the Data Bank maintained by Institute of Corporate Affairs (IICA). All Independent Directors of your Company are registered with IICA.

iii. Key Managerial Personnel

As on March 31, 2022 your company has the following KMPs:

Sr. No.	Name of the Person	Designation	Date of the Appointment
1	Shri Balasubramanian V.	Managing Director	17/11/2021
2	Shri Arun Agarwal	Chief Financial Officer	17/11/2021
3	Shri Akshat Chechani	Company Secretary	27/09/2021

Changes in the Key Managerial Personnel during the Financial Year 2021-22

Sr. No.	Name of the Person	Designation	Date of the Appointment/Cessation
1	Shri Hukumchand Lakhotiya	Whole Time Director	15.11.2021 (Cessation)
2	Shri Srinivasan Ganapathy	Chief Financial Officer	15.11.2021 (Cessation)
3	Shri Mohammad Waqar Siddiqui	Company Secretary	27/09/2021 (Cessation)
4	Shri Balasubramanian V.	Managing Director	17/11/2021 (Appointment)
5	Shri Arun Agarwal	Chief Financial Officer	17/11/2021 (Appointment)
6	Shri Akshat Chechani	Company Secretary	27/09/2021 (Appointment)

b. Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The Independent Directors of the Company met on March 30, 2022, without the presence of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors and the Board of Directors as a whole; review the performance of the Chairman of the Company and to assess the quality, quantity and timeliness of flow of information between the management and the board of directors. The Directors expressed their satisfaction with the evaluation process.

19. COMMITTEES OF THE BOARD

The Board has constituted the following committees:

A. Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rule, 2014, the Audit Committee was constituted on November 17, 2021. The composition of the Committee as on the date of this report is as under:

1. Shri Vijay Bhatt : Independent Director, Chairman
2. Shri Satish Sekhri : Independent Director, Member
3. Shri Balasubramanian V. : Managing Director, Member

The terms of reference of the Audit Committee are available on the website of the company viz: www.jkfilesandengineering.com.

Details of the Audit Committee Meetings held and Attendance of Directors at the Meetings is given below:

Sr. No.	Name of Director	DATE OF MEETING				
		30.11.2021	01.12.2021	19.01.2022	08.03.2022	10.03.2022
1.	Shri Vijay Bhatt	✓	✓	✓	✓	✓
2.	Shri Satish Sekhri	✓	✓	✓	✓	✓
3.	Shri Balasubramanian V.	✓	✓	✓	✓	✓

B. Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Board of Directors has on November 17, 2021, constituted the Nomination and Remuneration Committee and framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

The terms of reference of the Nomination and Remuneration Committee are available on the website of the company viz: www.jkfilesandengineering.com.

The Committee did not meet during the period under review.

C. Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors of the Company constituted the Corporate Social Responsibility (CSR) Committee and spent an amount of ₹ 50 Lakh in pursuance of its Corporate Social Responsibility. A report on CSR activities and the contents of Corporate Social Responsibility policy annexed as "Annexure 2". Pursuant to Section 135(1) of the Companies Act, 2013, the reconstituted composition of CSR Committee as on the date of this report is as under:

a) Smt. Rashmi Mundada : Chairperson, Independent Director
b) Shri Vijay Bhatt : Member, Independent Director
c) Shri Satish Sekhri : Member, Independent Director

During the year under review, one meeting of CSR Committee was held on July 26, 2021.

Sr. No.	Name of Director	DATE OF MEETING
1.	Smt. Rashmi Mundada	✓
2.	Shri K.A Narayan*	✓
3.	Shri V. Balasubramanian**	✓
4.	Shri Vijay Bhatt***	NA
5.	Shri Satish Sekhri****	NA

*Shri K.A Narayan resigned w.e.f November 17, 2021
** Shri V. Balasubramanian ceased to be members of the committee w.e.f November 17, 2021
***Shri Vijay Bhatt appointed w.e.f November 17, 2021
****Shri Satish Sekhri appointed w.e.f November 17, 2021

The CSR Policy of the Company is also available on www.jkfilesandengineering.com.

D. Stakeholders Relationship Committee

Stakeholders Relationship Committee was constituted on November 17, 2021. The Composition of the Committee is an under:

a) Shri Satish Sekhri : Chairman, Independent Director
b) Shri Vijay Bhatt : Member, Independent Director
c) Shri V. Balasubramanian : Member, Managing Director

The Committee did not meet during the period under review.

E. Risk Management Committee

The Risk Management Committee was constituted on November 17, 2021. The Composition of the Committee is an under:

a)	Smt. Rashmi Mundada	:	Chairperson, Independent Director
b)	Shri Vijay Bhatt	:	Member, Independent Director
c)	Shri Satish Sekhri	:	Member, Independent Director
d)	Shri V. Balasubramanian	:	Member, Managing Director

The Committee did not meet during the period under review.

F. IPO Committee

The Committee was constituted on November 17, 2021. The committee met once on December 08, 2021. The Committee comprises of Shri Balasubramanian V and Shri Ravikant Uppal. Both members of the Committee were present at the meeting.

20. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Pursuant to Section 177(9) of the Companies Act, 2013, your company has formulated the Vigil Mechanism / Whistle Blower Policy to report genuine concerns to be disclosed. The policy is displayed on the Company's website (www.jkfilesandengineering.com).

21. RELATED PARTY TRANSACTIONS

All transactions entered with related parties for the year under review are on arm's length basis and in the ordinary course of business and that provisions of Section 188(1) of the Companies Act, 2013 are not attracted. The Company has developed a Related Party Transactions Manual and Standard operating procedures for purpose of identification and monitoring of such transactions.

22. RISK MANAGEMENT POLICY

The Company is exposed to risk from market fluctuations of foreign exchange, interest rates, commodity prices, business risks, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the risks. There are no risks which in the opinion of the Board of Directors threaten the existence of the Company.

23. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

1. that in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. that the directors have 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 as at March 31, 2022 and of the profit of the Company for the year ended on that date;
3. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the directors have prepared the annual accounts on a going concern basis; and
5. that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, on the conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed herewith as **Annexure - C** to this Report.

25. ANNUAL RETURN

The details forming part of the Annual Return are displayed on the Company's website (www.jkfilesand engineering.com).

26. PARTICULARS OF EMPLOYEES

Since your company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2022 is not applicable.

27. DISCLOSURE UNDER SEXUAL HARASSMENT ACT

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints and complied with the applicable provisions of the said Act. There were no complaints filed against any of the employees of the Company under this Act.

28. DISCLOSURES

No application has been made under the Insolvency and Bankruptcy Code. The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

29. ACKNOWLEDGEMENT

The Directors express their appreciation to all the employees for their dedication and commitment. The Directors also extend their appreciation to the Banks for their continued support and co-operation.

For JK Files & Engineering Limited
(formerly known as J.K. Files (India) Limited)

	RAVIKANT UPPAL	BALASUBRAMANIAN V.
Mumbai	CHAIRMAN	MANAGING DIRECTOR
May 14, 2022	DIN: 00025970	DIN: 05222476

Annexure – A

Form No. MR-3

Secretarial Audit Report

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the Financial Year Ended March 31, 2022

To,
The Members,
JK FILES & ENGINEERING LIMITED
NEW HIND HOUSE, NAROTTAM MORARJEE MARG,
BALLARD ESTATE,
MUMBAI - 400001

Dear Members,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JK FILES & ENGINEERING LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under: NA;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
4. The provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings: NA;
5. Provisions of Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the Audit Period.

We further report that based on the compliance certificates issued by its officers and taken on record by the Board of Directors at their meeting(s) we are of the opinion that there are adequate systems and mechanism in place which are commensurate with the size and operations of the Company to monitor and ensure the compliances of the general laws, rules, regulations and guidelines made there under and also to monitor and ensure the compliances of the following laws specifically applicable to the Company:

i. Factories Act, 1948;
ii. Industries (Development & Regulation) Act, 1951
iii. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
iv. Acts prescribed under prevention and control of pollution
v. Acts prescribed under Environmental protection;
vi. Acts as prescribed under Direct Tax and Indirect Tax;
vii. Land Revenue laws of respective States
viii. Labour Welfare Act of respective States;

ix. Trade Marks Act 1999 & Indian Copy Right Act 1957;
x. The Legal Metrology Act, 2009;

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. For Income Tax laws we have relied on the Audit report issued by the Statutory Auditors.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non - Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting

Majority decision is carried through while there were no dissenting members' views which are to be captured and recorded as part of the minutes.

We further report that during the audit period the following specific events took place:

1. Sub-division of Equity shares:

The Members at their Extra-Ordinary General Meeting held on October 28, 2021 accorded for the sub-division of each of the Equity Share of the Company having a face value of Rs. 10/- each in the Authorized Equity Share Capital of the Company to be sub-divided into 5 (Five) Equity Shares having a face value of Rs. 2/- each.

2. Alteration of Memorandum and Articles of Association of the Company:

The Company at its Extra-Ordinary General Meeting held on October 28, 2021 altered the following:

i. Memorandum of Association for:

a. Change of Name:

The name of the Company was changed from JK Files (India) Limited to JK FILES & ENGINEERING LIMITED". Consequently, a fresh certificate of incorporation dated November 10, 2021 was issued by the Registrar of Companies, Mumbai.

b. Alteration in Authorised Capital:

Consequent to subdivision of Equity Shares, the existing Clause V of the Memorandum of Association was substituted with new Clause V as given hereunder:

"The Authorised Share Capital of the Company is Rs. 39,00,00,000 (Rupees Thirty-Nine Crores only) divided into 8,50,00,000 (Eight Crore Fifty Lakhs) Equity Shares of Rs. 2/- each and 22,00,000 (Twenty-Two Lakhs) Preference Shares of Rs. 100/- each with rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being, with power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the regulations of the Company."

ii. Articles of Association:

Adopted new set of Articles as per Companies Act, 2013.

Issue of Bonus shares:

The Members at their Extra-Ordinary General Meeting held on October 28, 2021 approved Bonus issue of Equity Shares in the ratio of 1:5 to its existing members. Accordingly, the Committee of Directors at its meeting held on

November 08, 2021 allotted 87,40,658 Equity Shares of Face value Rs. 2/- each to Raymond Limited its holding company and the only existing shareholder.

Substantial Stake in other Companies:
The Board of Directors at its meeting held on September 27, 2021 approved acquisition of substantial stake in equity shares of the following Companies:
100% stake in Scissors Engineering Products Limited comprising of 1,81,31,365 Equity Shares at NIL consideration from Raymond Limited;
89.07% stake in Ring Plus Aqua Limited comprising of 69,08,482 Equity shares at NIL consideration from Scissors Engineering Products Limited.

Redemption of Preference Shares:
The Board of Directors at its meeting held on September 27, 2021 approved redemption of 22,00,000 - 9 % Non–Cumulative Compulsory Convertible Preference Shares ("9% CCPS") of Rs. 100 each aggregating to Rs. 22,00,00,000/- (Rupees Twenty-Two Crores only) at par out of the distributable profits of the Company as per the terms and conditions of the issue.

For DM & Associates Company Secretaries LLP
Company Secretaries

Sd/-
Dinesh Kumar Deora
Partner
FCS NO 5683
CP NO 4119
UDIN: F005683C000
Place: Mumbai
Date: May 5, 2022

Note: This report is to be read with our letter of even date that is annexed as Annexure - I and forms an integral part of this report.

To
The Members,
JK FILES (INDIA) LIMITED
NEW HIND HOUSE, NAROTTAM MORARJEE MARG,
BALLARD ESTATE,
MUMBAI - 400001

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For DM & Associates Company Secretaries LLP
Company Secretaries

Sd/-
Dinesh Kumar Deora
Partner
FCS NO 5683
CP NO 4119
UDIN: F005683C000226882

Place: Mumbai
Date: May 5, 2021

Annexure B

ANNUAL REPORT ON CSR ACTIVITIES

Brief outline of the Company's CSR Policy:

The CSR Policy was approved by the Board of Directors at its Meeting held on April 28, 2014 and has been uploaded on the Company's webpage. A gist of the programs that the Company can undertake under the CSR policy is mentioned below. The CSR Policy was updated Consequent to the recent amendments in the provisions on the Meeting dated July 26, 2021.

1. The composition of the CSR Committee*:

Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Smt. Rashmi Mundada	Independent Director, Chairperson	1	1
Shri Vijay Bhatt	Independent Director, Member	NA	NA
Shri Satish Sekhri	Independent Director, Member	NA	NA

**The composition of the CSR Committee mentioned above compose current members only*

2. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.jkfilesandengineering.com

3. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): NA

4. Amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: NA

5. Average net profit of the company as per section 135(5): Rs. 50 Lakh

6. (a) Two percent of average net profit of the company as per section 135(5): Rs. 50 Lakh (34.55)
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
   (c) Amount required to be set off for the financial year, if any: NIL
   (d) Total CSR obligation for the financial year (6a+6b-6c): Rs. 50 Lakh (34.55)

7. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
50 Lakh	NIL	NA	NA	NIL	NA

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
			State	District			Name	CSR Registration number
Hospitalization and medical expense reimbursement to people affected by COVID-19	Promoting health care including preventive healthcare	Yes	Maharashtra	Mumbai	27.00 Lakh	No	J. K. Trust, Bombay	CSR00000006
Smt. Sulochanadevi Singhania School	Promoting education	Yes	Maharashtra	Thane	6.50 Lakh	No	Smt. Sulochanadevi Singhania School Trust	CSR00000006
Revamp of Maternity & Child Health Centre at BYTCO Hospital, Improve facility of SNCU, Nashik Forest Development in Sinnar	Promoting health care including preventive healthcare and setting up homes for special needs children	Yes	Maharashtra	Nashik	16.50 Lakh	No	Nasik Rotary Charitable Trust	NA

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 50 Lakh

(g) Excess amount for set off, if any

Sl. no.	Particulars	Amount (in Rs. Lakh)
i.	Two percent of average net profit of the company as per section 135(5)	50
ii.	Total amount spent for the Financial Year	50
iii.	Excess amount spent for the financial year [(ii)-(i)]	0
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

8. (a) Details of Unspent CSR amount for the preceding three financial years: NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NA

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

Shri Balasubramanian V.
Managing Director
DIN: 05222476

Smt. Rashmi Mundada
Chairman – CSR Committee
DIN: 08086902

CONTENTS OF CORPORATE SOCIAL RESPONSIBILITY POLICY

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.
The Company’s commitment to CSR projects and programmes will be by investing resources into any of the following areas.

- ✓ Eradicating hunger, poverty and malnutrition;
- ✓ Promotion of healthcare including preventive healthcare;
- ✓ Promotion of education and employment-enhancing vocational skills;
- ✓ Ensuring environmental sustainability and animal welfare including measures for reducing inequalities faced by socially & economically backward groups;
- ✓ Other focus areas as may be reviewed and included by CSR Committee, from time to time, in line with provisions of Act and in line with the emerging societal circumstances and in consideration of changing national priorities of the government.

ANNEXURE - C

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO
[Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A) CONSERVATION OF ENERGY :

1. Under the Green Energy initiative, the Company has installed and commissioned a "Solar Power Generation system" of 60 KW in FY 2012-13 at the Company's premises at Thane & of 100 KW in FY 2015-16 at Chiplun. In FY 2021-22, the Company generated Green power of 152.76 MWh thereby achieving a reduction of 160 MT of CO_2.

2. During FY 2017-18, the Company's Pithampur plant entered into a Solar Power Purchase agreement which provides benefits in terms of rate of electricity. Total savings through this in FY 2021-22 is Rs. 8.48 Lakh
   In addition to the above, various initiatives were taken during FY 2021-22 at the manufacturing units of the Company. These initiatives resulted in saving electricity and the total savings achieved during FY2021-22 was Rs. 13.66 Lakh.

Initiatives	Unit	Savings (in Rs. Lakh)
Annealing No of charges in OFF - Peak hr	Ratnagiri	4.70
Replacement of 20hp brine water pump with 4hp pump	Vapi	4.47
Annealing No of charges in OFF - Peak hr increasing from 1 to 2	Pithampur	2.38
Replacement of 40-watt Fluorescent Tube Lights with 200 20-watt LED Lights	Ratnagiri	0.98
Replacement of 600-Watt MV overhead lamp with 30 180-Watt LED lights	Pithampur	0.41
Usage of Skylight	Pithampur	0.37
Replacement of 60-Watt street lights with 25 15-Watt LED Lights	Ratnagiri	0.31
Use of energy efficient motors	Vapi	0.06

B) TECHNOLOGY ABSORPTION :

1. Development in machine
   Various cost saving initiatives were taken through development in machine & fixtures at various plants of the Company. Savings achieved during FY 2021-22 were Rs. 38.48 Lakh. Details are given as under:

Initiatives	Unit	Savings (in Rs. Lakh)
Modification of Oxley grinding machine to avoid grinding Rejection	Chiplun	21.85
Automation for Handle fitting operation	Ratnagiri	5.08
Electrode material change for better life-Drill	Chiplun	3.64
Avoid criss-cross material movement between ancillaries	Chiplun	2.09
On single Oxley machine for double ender file production	Ratnagiri	1.80
Replacement of eccentric gear box	Vapi	1.80
Replacement of Reduction gear box with hydraulic mechanism	Vapi	0.78
Avoid file falling in scouring department	Vapi	0.74
Edge cutting fixture's material development (Mill & Flat)	Vapi	0.72

2. New equipment:
   Installation of new equipment at various units generated savings of Rs. 9.01 Lakh in FY 2021-22:

Initiatives	Unit	Savings (in Rs. Lakh)
New Forklift	Vapi	6.60
Winder Re-winder for pouch packing machine	Chiplun	1.91
Small furnace for needle file stress reduction	Ratnagiri	0.50

3. New packaging development:
   Through developments in packing & stores consumables during FY 2021-22, the Company made savings of approximately Rs. 16 Lakh.

4. New Product Development:
   The Company developed 10 new products which generated revenue of Rs. 4.0 Crore in FY 2021-22.

5. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): NOT APPLICABLE

6. Research and Development:
   Research and development resulted in savings of Rs. 114.97 Lakh during FY 2021-22. Details of the same are as under:

Initiatives	Unit	Savings (in Rs. Lakh)
Reduction in Rejection %	Vapi	13.98
Reduction in Scrap %	Vapi	11.95
Reduction of Bend by usage of Press Quenching Instead of Hand straightening after Hardening of Flat/Mill Files upto 12 inch	Pithampur	10.83
Saving through Apex non usable material into dispatch material	Vapi	32.72
Conversion of Blanks to Jobber Drills	Chiplun	14.75
Conversion of Scrap files - 4" ST to 3.5" ST	Chiplun	10.65
Chainsaw Manual Hardening Vs Gang Hardening at Ancillary	Chiplun	10.42
Reuse of scrap stamp blanks	Ratnagiri	3.15
Robo round furnace to rectangular furnace with electrode heating	Pithampur	2.42
Recovery from End piece -HSS round and square	Chiplun	2.40
Double file edge cutting for 250mm Th sq on BS4 M/c	Ratnagiri	0.85
Develop cold punching process for Feather Edge file.	Chiplun	0.70
Chainsaw end pieces used for needle file manufacturing (3.2mm,3.6mm,4mm)	Chiplun	0.15

7. Vendor development & Rate negotiation development:
   Various Initiatives of Vendor development & rate negotiation taken at various manufacturing units. This development generated savings of Rs. 25.39 Lakh in FY 2021-22:

Initiatives	Unit	Savings (in Rs. Lakh)
Sourcing for Consumable Items & Vendor Management	Pithampur	7.49
Alternate source of chisel supplier	Vapi	5.26
Strategic Process mapping & Printing of Drill boxes	Chiplun	3.98
Cost improved sourcing of Furnace Oil	Pithampur	3.58
Alternate supplier for wooden box	Vapi	2.53
Alternate source for shrink packing roll	Vapi	2.14
Cost improved sourcing of Lubricating Oil	Pithampur	0.42

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, the Company had Rs. 259.40 Cr (Previous Year: 156.04 Cr) as earnings in foreign exchange and the outgo in foreign exchange was Rs. 85.16 Cr (Previous Year: 57.48 Cr).

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1	Name of the subsidiary	JK Talabot Limited	Ring Plus Aqua Limited	Scissors Engineering Products Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.
3	Reporting currency and Exchange rate	INR	INR	INR
4	Share capital	80,54,400	77,56,66,710	18,13,13,650
5	Reserves & surplus	55,31,000	1,14,66,61,293	(17,88,01,618)
6	Total assets	1,80,79,800	2,12,72,60,796	27,27,875
7	Total Liabilities	44,94,400	90,30,32,782	2,16,027
8	Investments	NIL	22,65,99,120	4,930
9	Turnover	2,85,63,100	3,12,01,85,460	NIL
10	Profit before taxation	11,11,400	51,58,46,580	64,21,65,552
11	Provision for taxation	2,31,100	12,85,81,770	NIL
12	Profit after taxation	8,80,300	38,72,64,810	64,21,65,552
13	Proposed Dividend	1,44,97,900	NIL	NIL
14	% of shareholding	90%	89.07%	100%

Notes: The following information shall be furnished at the end of the statement:
1. Names of subsidiaries which are yet to commence operations.
2. Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

The Company has no associate companies/Joint venture companies.

For JK Files & Engineering Limited
(formerly known as J.K. Files (India) Limited)

RAVIKANT UPPAL
Director
DIN: 00025970

BALASUBRAMANIAN V.
Managing Director
DIN: 05222476

Mumbai
May 14, 2022

ARUN AGARWAL
Chief Financial Officer

AKSHAT CHECHANI
Company Secretary

Independent Auditor's Report

To the Members of JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)

Report on the Audit of the Standalone financial statements

Opinion

1. We have audited the accompanying standalone financial statements of JK Files & Engineering Limited (Formerly known as JK Files (India) Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the standalone financial statements and our auditor's report thereon.

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

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information 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.

Responsibilities of management and those charged with governance for the standalone financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the standalone 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

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

8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
   - Identify and assess the risks of material misstatement of the 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

9. 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.

10. 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.

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. 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.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows 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.

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 35 to the standalone financial statements;

ii. The Company has long-term contracts including derivative contracts as at March 31, 2022 for which there were no material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 49 to the standalone financial statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entit~~y~~ies, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 49 to the standalone financial statements); and

(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

13. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 22112433AIZHJR5355

Mumbai
May 14, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of JK Files & Engineering Limited [formerly known as JK Files (India) Limited] on the standalone financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to standalone financial statements of JK Files & Engineering Limited [formerly known as JK Files (India) Limited] ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 ("the Guidance Note") 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to standalone financial statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, 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 issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 22112433AIZHJR5355

Mumbai
May 14, 2022

Annexure B to Independent Auditors' Report

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 2 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 2(a) and 2(b) to the standalone financial statements, are held in the name of the Company, except for the following:

Description of property	**Gross carrying value (Amount in Lakhs)**	**Held in the name of**	**Whether promoter, director or their relative or employee**	**Period held - indicate range, where appropriate**	**Reason for not being held in the name of the Company**
Leasehold Land-Chiplun	154.79	Raymond Woolen Mills Limited (Now known as Raymond Limited)	Promoter	13 years	Due to pending formalities with MIDC

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) 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 unaudited books of account. (Also refer Note 15 to the standalone financial statements).

iii. (a) During the year , the Company has made investments in two companies and granted unsecured loans to one company. During the year, the Company did not provide any guarantee or security or grant secured loans or advances in nature of loan, to companies, firm, Limited Liability Partnership or any other parties.

The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such unsecured loans to parties other than subsidiaries, joint ventures and associates are as per the table given below. Further, the Company has not granted loans or advances and guarantee or securities to subsidiaries.

Particulars	**Amount (Rs in Lakhs)**
Aggregate amount of unsecured loan granted during the year	1,100 Lakhs
Balance outstanding as at the balance sheet date in respect of the above	Nil

(Also refer Note 41 to the standalone financial statements)

(b) In respect of the aforesaid investments and loans, the terms and conditions under which such loans were granted/investments were made are not prejudicial to the Company's interest.

(c) In respect of the loans granted including those loans granted in the earlier years and outstanding as at the beginning of the financial year, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

(d) In respect of the loans granted including those loans granted in the earlier years and outstanding as at beginning of the financial year, there is no amount which is overdue for more than ninety days.

(e) Following loans were granted to same parties, which has fallen due during the year and were renewed/ extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

Name of the parties	Aggregate amount of dues renewed or extended or settled by fresh loans	Percentage of the aggregate to the total loans granted during the year
Raymond Luxury Cotton Limited	Rs 500 lakhs	45.45%

(f) The loans granted during the year, including to related parties had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made. The Company has not provided any guarantees and security to the parties covered under Section 185 and 186 of the Companies Act, 2013.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 35 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of provident fund, service tax, duty of customs, duty of excise, cess, goods and service tax which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In Lakhs) (net of deposit)	Period to which the amount relates	Forum where the dispute is pending	Remarks, if any
The Central Sales Tax Act, 1956 and Maharashtra Value Added Tax Act, 2002	Sales Tax (VAT and CST)	111.88	2013-14 and 2014- 15	Deputy Commissioner of Sales Tax	
The Central Sales Tax Act, 1956 and West Bengal Value Added Tax Act, 2003	Sales Tax (VAT and CST)	11.49	2013-14 and 2014-15	Sales Tax Officer	
The Central Sales Tax Act,1956 and Madhya Pradesh Value Added Tax Act, 2002	Sales Tax (VAT and CST)	1.77	2015-16	Deputy Commissioner	

The Central Sales Tax Act,1956 and Madhya Pradesh Value Added Tax Act, 2002	Sales Tax (VAT and CST)	1.91	2017-18	Assistant Commissioner	
West Bengal Value Added Tax Act, 2003	Sales Tax (VAT)	0.08	2014-15	Sr. Joint Commissioner	
The Income Tax Act, 1961	Income Tax	81.02	2010-11 to 2015-16	Income Tax Tribunal	
Employees' State Insurance Act, 1948	ESIC	1.30	1975-82	High Court, Bombay	
Employees' State Insurance Act, 1948	ESIC	0.87	February 2002 to March 2003	Learned Employees' Insurance Court, Kolkata	
Employees' State Insurance Act, 1948	ESIC	1.38	2005-06 and 2006-07	Learned Employees' Insurance Court, Kolkata	

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no 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 and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. Further the Company did not have associates or joint ventures during the year.

(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. Further, the Company did not have associates or joint ventures during the year.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, 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.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the company issued till date, for the period under audit.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order 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, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 44 to the standalone financial statements), 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 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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN : 22112433AIZHJR5355

Mumbai
May 14, 2022

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Standalone Balance Sheet as at 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	As at 31st March, 2022	As at 31st March, 2021
I	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	2(a)	3,442.13	3,878.73
	(b) Right of use assets	2(b)	1,515.80	1,324.79
	(c) Capital work - in - progress	2(c)	119.32	46.33
	(d) Goodwill	3(a)	79.41	79.41
	(e) Other Intangible assets	3(b)	0.63	4.50
	(f) Investment in subsidiaries	4	3,562.99	724.89
	(g) Financial assets			
	(i) Other Financial Asset	6	184.36	147.32
	(h) Deferred tax assets (net)	29(e)	51.61	215.51
	(i) Current tax assets (net) - non-current	29(b)	90.39	208.49
	(j) Other non - current assets	7	159.19	170.16
	Total Non-Current Assets		**9,205.83**	**6,800.12**
2	**Current assets**			
	(a) Inventories	8	8,659.92	8,414.33
	(b) Financial assets			
	(i) Trade receivables	9	3,946.88	1,385.62
	(ii) Cash and cash equivalents	10	245.49	382.12
	(iii) Loans	5	-	2,900.00
	(iv) Other financial asset	6	837.47	41.51
	(c) Current tax assets (net)- current	29(c)	118.10	-
	(d) Other current assets	11	1,714.74	2,283.63
			15,522.60	**15,407.22**
	(e) Assets held for sale	12	-	105.75
	Total Current Assets		**15,522.60**	**15,512.97**
	TOTAL ASSETS		**24,728.43**	**22,313.08**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	13	1,048.88	874.07
	(b) Instruments entirely in the nature of equity	13	-	2,200.00
	(c) Other equity	14	11,780.42	5,486.69
				-
	Total Equity		**12,829.30**	**8,560.76**
2	**Liabilities**			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Lease liabilities	2(b)	1,390.22	1,297.93
	Total Non Current Liabilities		**1,390.22**	**1,297.93**
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	840.54	1,481.29
	(ii) Lease liabilities	2(b)	161.77	112.50
	(iii) Trade payables	16		
	(a) total outstanding of micro and small enterprises		304.44	324.82
	(b) total outstanding other than (iii) (a) above		4,134.16	5,348.46
	(iv) Other financial liabilities	17	2,155.04	1,904.68
	(b) Provisions	18	693.87	629.18
	(c) Current tax liabilities (net)	29(d)	373.62	-
	(d) Other current liabilities	19	1,845.47	2,653.46
	Total Current Liabilities		**10,508.91**	**12,454.39**
	Total Liabilities		**11,899.13**	**13,752.32**
	TOTAL EQUITY AND LIABILITIES		**24,728.43**	**22,313.08**

The above standalone balance sheet should be read in conjunction with the accompanying notes.

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

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433
Mumbai
14th May, 2022

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
14th May, 2022

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Standalone Statement of Profit and Loss for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	Year ended 31st March, 2022	Year ended 31st March, 2021
I	**Revenue from operations**	20	50,291.56	34,807.94
II	**Other income**	21	1,690.86	553.74
III	**Total income (I+II)**		**51,982.42**	**35,361.68**
IV	**Expenses**			
	Cost of raw materials consumed	22	15,874.64	10,734.01
	Purchases of Stock-in-Trade	23	5,172.04	4,253.89
	Changes in inventories of work-in progress, finished goods and stock-in-trade	24	(150.95)	(2,250.75)
	Employee benefits expense	25	6,721.26	5,467.67
	Finance costs	26	336.95	369.18
	Depreciation and amortization expense	27	856.09	902.99
	Net impairment losses (including reversals) on financial assets		(63.47)	(159.79)
	Other expenses	28	16,741.05	12,754.20
	Total expenses (IV)		**45,487.61**	**32,071.39**
V	**Profit before exceptional items and tax (III-IV)**		**6,494.81**	**3,290.28**
VI	**Exceptional Items**	12	**1,186.83**	-
VII	**Profit before tax (V+VI)**		**7,681.64**	**3,290.28**
VIII	**Tax expense**	29		
	Current tax		1,634.14	753.14
	Deferred tax		163.90	88.53
	Tax charge in respect of earlier years		12.24	-
	Total Tax expenses (VIII)		**1,810.28**	**841.67**
IX	**Profit for the year (VII- VIII)**		**5,871.36**	**2,448.61**
X	**Other Comprehensive Income/ (loss)**			
	Items that will not be reclassified to profit or loss			
	- Remeasurements of defined benefit plans	30	(181.84)	(171.21)
	-Income tax relating to items that will not be reclassified to profit/loss		38.68	39.19
	Other Comprehensive income/ (loss) for the year, net of Tax (X)		**(143.16)**	**(132.02)**
XI	**Total Comprehensive Income for the year (IX+X)**		**5,728.20**	**2,316.59**
XII	**Earnings per equity share of Rs. 2 each**	33		
	Basic earnings per share (in Rs.)		11.20	4.67
	Diluted earnings per share (in Rs.)		10.27	3.97

The above standalone statement of profit and loss should be read in conjunction with the accompanying notes.

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

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433
Mumbai
14th May, 2022

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
14th May, 2022

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Standalone Statement of Changes in Equity for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

A. Equity Share Capital and Instruments entirely equity in nature

Particulars	Equity Share Capital	Instruments entirely in the nature of equity
	Amount	Amount
As at 1st April, 2020	**874.07**	**2,200.00**
Change during the year	-	-
As at 31st March, 2021	**874.07**	**2,200.00**
Change during the year	174.81	(2,200.00)
As at 31st March , 2022	**1,048.88**	**-**

B. Other Equity

Particulars	Reserves & Surplus				Total
	Securities Premium	Capital Reserve	Capital Redemption Reserve	Retained Earnings	
Balance as at 1st April, 2020	**314.50**	**-**	**-**	**2,855.60**	**3,170.10**
Profit for the year	-	-	-	2,448.61	2,448.61
Remeasurement of defined benefit obligation, net of tax	-	-	-	(132.02)	(132.02)
Total Comprehensive Income for the year	-	-	-	2,316.59	2,316.59
Balance as at 31st March , 2021	**314.50**	**-**	**-**	**5,172.19**	**5,486.69**
Profit for the year	-	-	-	5,871.36	5,871.36
Remeasurement of defined benefit obligation, net of tax	-	-	-	(143.16)	(143.16)
Total Comprehensive Income for the year	-	-	-	10,900.39	11,214.89
Dividends	-	-	-	(2,097.76)	(2,097.76)
Issue of Bonus Shares	(174.81)	-	-	-	(174.81)
Capital contribution by parent (Refer Note 48)	-	2,838.10	-	-	2,838.10
Transfer (to) / from capital redemption reserve	-	-	2,200.00	(2,200.00)	-
Balance as at 31st March , 2022	**139.69**	**2,838.10**	**2,200.00**	**6,602.64**	**11,780.42**

The above standalone statement of changes in equity should be read in conjunction with the accompanying notes.

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This is the standalone Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433
Mumbai
14th May, 2022

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

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DIN: 00025970

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Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
14th May, 2022

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Standalone Statement of Cash Flow for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
A.	**Cash Flow from Operating Activities**				
	Profit before exceptional items and tax as per statement of profit and loss		6,494.81		3,290.28
	Adjustment for :				
	Depreciation and Amortisation expenses	856.09		902.99	
	Net (gain) on disposal/discard of property, plant and equipment	(9.40)		(2.31)	
	Interest income	(130.61)		(181.97)	
	Finance Cost	336.95		369.18	
	Unrealised (gain)/ loss on foreign exchange fluctuations	(69.41)		(42.51)	
	Dividend Received	(1,304.81)		-	
	Net impairment losses (including reversals) on financial assets	(63.47)		(159.79)	
	Gain on termination of lease	(104.73)		-	
			(489.39)		885.59
	Changes in Operating Assets & Liabilities		6,005.42		4,175.87
	(Increase) in Inventory	(245.59)		(2,471.42)	
	Decrease/(Increase) in Trade & Other receivables	(2,434.18)		4,841.06	
	Decrease/(Increase) in other financials assets	(807.36)		85.91	
	Decrease/(Increase) in other assets	604.47		(280.78)	
	Increase in Trade & other Payables	(1,235.54)		(406.55)	
	Increase /(Decrease) in trade financial liabilities	221.10		106.63	
	Increase /(Decrease) in trade liabilities	517.00		688.54	
	Increase / (Decrease) in Provisions	(117.15)		92.27	
			(3,497.25)		2,655.66
			2,508.17		6,831.53
	(Less): Direct Taxes Paid (Net)		(1,233.38)		(713.04)
	Net cash flows generated from operating activities		**1,274.79**		**6,118.49**
B.	**Cash Flow from Investing Activities**				
	Inflows				
	Proceeds from sale of property, plant & equipment		46.10		11.87
	Proceeds from repayment of Inter Corporate Deposit by related parties		4,000.00		-
	Interest received		167.75		143.98
	Dividend received from Subsidiary		1,304.81		-
			5,518.66		155.85
	Outflows				
	Purchase of property, plant & equipment (including capital work-in-progress and capital Advances)		(399.15)		(188.79)
	Inter Corporate Deposit placed with group companies		(1,100.00)		(2,900.00)
	Fixed Deposits with Banks		(56.13)		-
			(1,555.28)		(3,088.79)
	Net cash flows generated from / (used in) investing activities		**3,963.38**		**(2,932.94)**
C.	**Cash Flow from Financing Activities**				
	Repayment of Short term borrowings (net)		(640.75)		(2,362.63)
	Interest Paid		(156.03)		(198.59)
	Principal elements of lease payments		(112.38)		(88.91)
	Interest on lease liabilities		(167.88)		(160.18)
	Redemption of preference share capital		(2,200.00)		-
	Dividend paid		(2,097.76)		-
	Net cash flows used in financing activities		**(5,374.80)**		**(2,810.31)**
	***Net Increase /(Decrease) in Cash and Cash Equivalents* (A+B+C)**		(136.63)		375.24
	Add :Cash and Cash Equivalents at the beginning of the financial Year		382.12		6.88
	Cash and Cash Equivalents as at the end of the Year		**245.49**		**382.12**

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

Non-cash financing and investing activities

		Year ended 31st March, 2022	Year ended 31st March, 2021
	Acquisition of right-of-use assets	724.15	-
	Investment in subsidiaries	2,838.10	-
	Issue of Bonus Shares	174.81	-

The above standalone statement of cash flows should be read in conjunction with the accompanying notes.

This is the Standalone Statement of Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433
14th May, 2022

For and on behalf of the Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
14th May, 2022

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March, 2022

1 A. Corporate Information

JK Files & Engineering Limited (formerly known as JK Files (India) Limited) ("the Company") is a public Company limited by shares and domiciled in India. The Company deals in tools and hardware products. The Company have manufacturing facilities at Chiplun, Ratnagiri, Pithampur, and Vapi. The Registered office of the Company is situated at New Hind House, Narottam Morarjee Marg, Ballard Estate, Mumbai - 400 001.

This Standalone Financial Statements were authorised for issues in accordance with a resolution of the Board of Directors on May 14, 2022.

1 B. Summary of significant accounting policies

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

(a) Basis of preparation

(i) Compliance with Ind AS

The Standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:
1)certain financial assets and liabilities (including derivative instruments) is measured at fair value;
2)assets held for sale – measured at lower of book value and fair value less cost to sell.
3)defined benefit plans – plan assets measured at fair value; and

(iii) New and amended standards adopted by the Company

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2021:
• Extension of COVID-19 related concessions – amendments to Ind AS 116
• Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.
The amendments listed above did not have any impact on the amounts recognised in current or prior period and are not expected to significantly affect the future period.

(iv) New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

(v) Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1 April 2021.

Consequent to above, the Company has changed the classification/presentation of security deposits in the current year.

Security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'other financial assets' line item. Previously, these deposits were included in 'loans' line item.

The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

Balance Sheet (extract)	31st March, 2021 (as previously reported)	Increase/(decrease)	31st March, 2021 (restated)
Loans (non-current)	146.82	(146.82)	-
Other financial assets (non-current)	0.50	146.82	147.32
Loans (current)	2,900.25	(0.25)	2,900.00
Other financial assets (current)	41.26	0.25	41.51

(vi) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III (Division II) to the Act.

(vii) Rounding of amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III (Division II), unless otherwise stated.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the standalone financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the year in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company 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 the Statement of Profit and Loss during the reporting period in which they are incurred. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses. On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on Factory Buildings and Plant and Equipment is provided on a Straight Line Method and in case of other assets on Written Down Value Method, net of their residual values, over the estimated useful lives of assets. Leasehold improvements are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery, useful life for which based on an independent technical evaluation has been estimated as 24 years from the date of acquisition (on a single shift basis), which is different from that prescribed in Schedule II of the Act.

The estimated useful lives of the property, plant and equipment are:

Class of Asset	Useful life
Buildings	60 years
Plant and machinery	24 years
Furniture and fixtures	10 years
Vehicles	5~8 years
Office equipment	5 years
Computers	3 years

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(d) Intangible assets

Goodwill generated as part of business combination are not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

Computer software
Computer software are stated at cost, less accumulated amortisation and impairments, if any.

Trademarks
Trademarks acquired separately are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Amortisation method

The Company amortizes intangible assets with a future useful life using the straight-line method over following period:

Class of Asset	Useful life
Computer Software	3 years
Trademark	10 years

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

(e) Lease

As a lessee

Leases are recognised as a right-of-use asset ("ROU") and a corresponding lease liability at the date at which leased asset is available for use by the Company for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term leases and leases of low value assets, the Company recognises the lease payments as an expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and restoration costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments which includes principal and finance cost component. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

To determine the incremental borrowing rate, the Company's where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss.

(f) Cash and Cash Equivalents
For the purpose of presentation in the Standalone Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and certain cash credit facilities that form an integral part of the Company's cash management.

(g) Inventories

Inventories of raw materials, stock in trade, stores and spares, work-in-progress, and finished goods are stated at cost or net realisable value, whichever is lower'. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. 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. Cost formula used is 'Weighted Average cost'. Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc. Net realisable 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.

(h) Investment in subsidiaries

Investment in subsidiaries is recognised at cost as per Ind AS -27.

(i) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(k) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:
* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
* those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Recognition

Financial assets are initially recognised when the Company becomes party to the contractual provisions of the instrument.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the profit or loss are expensed in profit or loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company measures its debt instruments in following categories:

• Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included within other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / other expenses. Impairment losses are presented as separate line item in the statement of profit and loss.

• Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net with other income / other expenses in the year in which it arises.

(iv) Impairment of financial assets

The Company assesse on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Note 38 details how the Company determines whether there has been a significant increase in credit risk.

(v) Derecognition of financial assets

A financial asset is derecognised only when:
• the Company has transferred the rights to receive cash flows from the financial asset or
• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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

(vi) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

(l) Contributed Equity

Equity shares are classified as equity. Convertible instruments such as preference shares that will be or are expected to be settled in the Company's own equity instruments are classified as equity if they are expected to be settled into a fixed number of equity shares.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(m) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(n) Derivative financial instruments

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

(o) 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 recognised amounts and there is an intention to settle on a net basis or realise 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.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the year of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the year of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income / other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(q) Borrowing costs

Interest and other borrowing costs attributable to the acquisition, construction or production of a qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other interest and borrowing costs are charged to profit or loss.

(r) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense in profit or loss.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in standalone financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in standalone financial statements unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

(s) Revenue from contracts with customers

(i) Sale of Goods

Sales are recognised when the control of the goods has been transferred to customer which is generally on delivery of goods and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, risk of obsolescence and loss have been transfer to customer and the Company has objective evidence that all criteria for the acceptance have been satisfied.

The goods are sold with retrospective volume discounts based on aggregate sales over a 12 months period.Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that is highly probable that a significant reversal will not occur.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) Sales of Services

Revenue from sale of services is recognised in the accounting year in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided.
Cash received before the goods and services are delivered is recognised as a contract liability.

(iii) Financing Components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(t) Employee benefits

(i) Short-term Employee Benefits:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognised 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.

(ii) Defined Contribution Plans

The Company pays provident fund contributions etc. to publicly administered provident and other funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are incurred.

(iii) Post-employment obligations

Defined Benefit Plans

The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by actuary 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 employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year 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 as calculated by actuary are recognised immediately in the Profit or Loss as past service cost.

(iv) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the year in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(v) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b)when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(u) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Standalone Financial Statements are presented in Indian rupee (INR), which is JK Files & Engineering Limited's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the respective transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in profit or loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in profit or loss.

(v) Income tax

The income tax expense or credit for the year is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the standalone financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defer income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiary, where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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 off set where the Company 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.

Current and deferred tax is recognised in the Statement of Profit or Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

(w) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(x) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director .

The board of directors of Company has appointed a Managing Director who assesses the financial performance and position of the Company, and makes strategic decisions.

(y) Impairment of non-financial assets:

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

(z) Non- current assets (or disposal groups) held for sale :

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (or disposal groups) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

(aa) Exceptional Item:

Exceptional item is an item of income or expense within the Statement of Profit and Loss, which is of such size, nature and incidence that its disclosure is relevant to explain the performance of the Company for the year. The nature and amount of such item is disclosed separately in the Statement of Profit and Loss.

(ab) Government Grants:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

(ac) Business Combinations:

The acquisition method of accounting is used to account for all business combinations (other than common control business combinations), regardless of whether equity instruments or other assets are acquired. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholder's equity.

1(C) Critical estimates and judgements

The preparation of Standalone Financial Statements requires the use of accounting estimates which by definition will seldom equal the actual results.
This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Financial statement .

The areas involving critical estimates are:

- Estimation of Defined benefit obligation - Measurement of defined benefit obligation and related plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality. (Refer Note 30)
- Inventory write down - Inventory write downs are assessed based on slow-moving, non-moving and defective inventories considering various factors such as likely usage, obsolescence etc. (Refer Note 8)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

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Note 2(a)- Property, Plant and Equipment

	Buildings	Plant & machinery	Furniture & fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying amount							
As at 1st April, 2020	**1,556.76**	**5,807.08**	**125.23**	**25.82**	**49.02**	**158.62**	**7,722.53**
Additions	1.60	115.06	-	-	0.60	16.46	133.72
Disposals/ Adjustments	-	12.57	-	1.29	-	-	13.87
As at 31st March, 2021	**1,558.36**	**5,909.56**	**125.23**	**24.53**	**49.62**	**175.08**	**7,842.38**
							-
Additions	10.02	229.38	1.57	44.00	6.43	39.39	330.79
Disposals/ Adjustments	0.35	105.80	63.85	44.00	3.59	0.64	218.23
As at 31st March, 2022	**1,568.03**	**6,033.14**	**62.95**	**24.53**	**52.46**	**213.83**	**7,954.94**
Accumulated depreciation							
As at 1st April, 2020	**324.48**	**2,617.42**	**90.80**	**20.21**	**31.85**	**128.98**	**3,213.74**
Charge for the year	70.43	660.34	9.04	1.43	6.62	9.34	757.21
Disposals/ Adjustments	-	6.31	-	0.98	-	-	7.29
As at 31st March, 2021	**394.91**	**3,271.45**	**99.84**	**20.66**	**38.47**	**138.32**	**3,963.66**
Charge for the year	69.73	584.81	5.65	3.04	5.07	16.24	684.54
Disposals/ Adjustments	0.08	74.11	55.44	2.29	3.01	0.46	135.39
As at 31st March, 2022	**464.56**	**3,782.15**	**50.05**	**21.41**	**40.53**	**154.10**	**4,512.81**
Net carrying amount							
As at 31st March, 2021	**1,163.45**	**2,638.11**	**25.40**	**3.87**	**11.15**	**36.76**	**3,878.73**
As at 31st March, 2022	**1,103.47**	**2,250.99**	**12.90**	**3.12**	**11.93**	**59.73**	**3,442.13**

NOTE:
1) Refer note 34 for information on Property Plant and Equipment pledged as security by the Company.
2) Refer note 36 for disclosure of contractural commitments for acquisition of Property Plant and Equipment .

Note 2(b)- Leases

This note provides information for leases where the Company is a lessee. The Company has leasehold land ranging from 95 to 99 years. The Company has also leased offices, factories and warehouses for which lease terms range from 11 months to 5 years.

(i) Amounts recognised in Standalone Balance Sheet

Set out below are the carrying amounts of right of use assets recognised and movements during the year:

Particulars	Leasehold Land	Buildings	Total right of use assets
I. Gross carrying amount			
As at 1st April, 2020	**388.53**	**1,229.47**	**1,618.00**
Additions	-	-	-
Disposals / Adjustments	-	-	-
As at 31st March, 2021	**388.53**	**1,229.47**	**1,618.00**
Additions	-	724.15	**724.15**
Disposals / Adjustments	-	578.65	**578.65**
As at 31st March, 2022	**388.53**	**1,374.97**	**1,763.50**
II. Accumulated depreciation			
As at 1st April, 2020	**6.24**	**144.93**	**151.17**
Charge for the year	6.24	135.80	142.04
Disposals / Adjustments	-	-	-
As at 31st March, 2021	**12.48**	**280.73**	**293.21**
Charge for the year	6.24	161.44	**167.68**
Disposals / Adjustments	-	213.19	**213.19**
As at 31st March, 2022	**18.72**	**228.98**	**247.70**
Net carrying amount			
As at 31st March, 2021	**376.05**	**948.74**	**1,324.79**
As at 31st March, 2022	**369.81**	**1,145.99**	**1,515.80**

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liabilities		
Current	161.77	112.50
Non-current	1,390.22	1,297.93
Total	**1,551.99**	**1,410.43**

(ii) Amounts recognised in the standalone Statement of Profit and loss

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

Particulars	Note	Year ended 31st March, 2022	Year ended 31st March, 2021
Depreciation of right-of-use assets	27		
- Leasehold Land		6.24	6.24
- Buildings		161.44	135.80
Interest expense (included in finance costs)	26	167.88	160.18
Expense relating to short-term leases (included in other expenses)	28(b)	184.40	181.72

The total cash outflow for leases for the year ended March 31, 2022: Rs 464.66 Lakhs ; the year ended March 31, 2021 was Rs 430.81 Lakhs (including short term lease payments).

(iii) Extension and termination options

Extension and termination options are included in a number of property leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

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Note 2(b)- Leases
Additional Regulatory Information:-

As At 31st March , 2022 and As at 31st March.2021

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Right of use asset	Land	155.31	Raymond Woolen Mills Limited now known as " Raymond Limited "	Promoter	1st October, 2009	Pending formalities with Maharashtra Industrial Development Corporation (MIDC) .

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Note 2(c)- Capital work - in - progress (CWIP)

	CWIP
As at 1st April, 2020	**6.70**
Additions	156.29
Capitalization	116.66
As at 31st March, 2021	**46.33**
Additions	312.39
Capitalization	239.40
As at 31st March, 2022	**119.32**

Notes:
i) CWIP ageing schedule

Projects in progress

Particulars	**Amount in CWIP for a period of**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
As at 31st March, 2021	46.33	-	-	-	46.33
As at 31st March, 2022	119.32	-	-	-	119.32

ii) Actual cost of capital projects in progress has not exceeded the estimated cost and the actual timelines for completion of projects has not exceeded the estimated timelines in respect of the amounts reported above, as at the end of each reporting period. Accordingly, completion schedule is not presented.

iii) CWIP majorly comprises of machinery which are pending installation.

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Note 3(a) - Goodwill

Goodwill was recognised on demerger of files and tools division of Raymond Limited into the Company in earlier years. The goodwill is allocated to the single CGU in which the Company operates i.e., tools and hardware.
The carrying amount of goodwill is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Goodwill	79.41	79.41
Total	**79.41**	**79.41**

The Company has performed an impairment assessment for year ended March 31, 2022 and March 31, 2021 years ended respectively, considering profits earned by CGU being significantly higher than carrying amount of goodwill for all the years covered above, thus no impairment on goodwill has been recognised.

Note 3(b)- Intangible assets

	Computer Software	Brands /trademarks	Total
Gross carrying amount			
As at 1st April, 2020	**41.48**	**1,125.00**	**1,166.48**
Additions	3.48	-	3.48
Disposals/ Adjustments	-	-	-
As at 31st March, 2021	**44.96**	**1,125.00**	**1,169.96**
Additions	-	-	-
Disposals/ Adjustments	-	-	-
As at 31st March, 2022	**44.96**	**1,125.00**	**1,169.96**
Accumulated Amortisation			
As at 1st April, 2020	**36.72**	**1,125.00**	**1,161.72**
Charge for the year	3.74	-	3.74
Disposals/ Adjustments	-	-	-
As at 31st March, 2021	**40.46**	**1,125.00**	**1,165.46**
Charge for the year	3.87	-	3.87
Disposals/ Adjustments	-	-	-
As at 31st March, 2022	**44.33**	**1,125.00**	**1,169.33**
Net carrying amount			
As at 31st March, 2021	**4.50**	**-**	**4.50**
As at 31st March, 2022	**0.63**	**-**	**0.63**

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Note-4 Investment in subsidiaries

	As at 31st March, 2022	As at 31st March, 2021
Unquoted		
Equity instruments at cost		
JK Talabot Limited		
72,48,936 (31st March , 2021: 72,48,936) Equity Shares of Rs.10 each	724.89	724.89
Scissors Engineering Products Limited *		
1,81,31,365 (31st March, 2021:- Nil) Equity Shares of Rs.10 each	10.00	-
Ring Plus Aqua Limited *		
69,08,482 (31st March, 2021:- Nil) Equity Shares of Rs.10 each	2,828.10	-
Total	**3,562.99**	**724.89**
Aggregate value of unquoted investment	**3,562.99**	**724.89**

* Refer Note 48

Note-5 Loans

	As at 31st March, 2022	As at 31st March, 2021
Current		
Loans to related parties (Refer Note 41 & Note (i) below)	-	2,900.00
	-	**2,900.00**

Note:-
(i) Disclosure as per section 186(4) of the Act

Particulars	Rate of Interest	As at 31st March, 2022	As at 31st March, 2021
Raymond Luxury Cotton Limited	9.00%	-	2,000.00
Raymond Apparel Limited	8.50%	-	900.00
Total Loans to related parties		-	2,900.00

The Loan has been utilised for meeting their working capital requirement.

(ii) There are no loans or advances in the nature of loans outstanding as at March 31, 2022 and March 31, 2021, granted to promoters, directors, key managerial personnels and other related parties, which are repayable on demand or granted without specifying any terms or period of repayment.

(iii) Break-up of security details

	As at 31st March, 2022	As at 31st March, 2021
Loans considered good - Secured	-	-
Loans considered good - Unsecured	-	2,900.00
Loans which have significant increase in credit risk	-	-
Loans credit impaired	-	-
Total	**-**	**2,900.00**
Loss allowance	-	-
Total Loans	**-**	**2,900.00**

Note-6 Other financial assets
Unsecured, considered good (unless otherwise stated)

	As at 31st March, 2022	As at 31st March, 2021
Non-current		
Security Deposits	127.73	146.82
Margin money deposit with Banks*	56.63	0.50
Total	**184.36**	**147.32**

*(i)Rs. 0.50 Lakhs (Previous year :- Rs 0.50 Lakhs) held as lien with Gujarat Irrigation Department.
(ii) Rs. 6.61 Lakhs (Previous year:- Rs. Nil) held with a Bank for Guarantee against Custom duty.
(iii)Rs 49.52 Lakhs (Previous year :- Rs.Nil) held with a Bank for letter of credit .

	As at 31st March, 2022	As at 31st March, 2021
Current		
Derivative financial instrument(Refer Note 38)	6.66	-
Receivable from Related party (Refer Note 41)	84.13	84.01
Less: Allowance for doubtful receivable	(83.72)	(83.72)
Receivable towards IPO expenses *	802.56	-
Interest accrued	3.83	40.97
Security Deposits	0.25	0.25
Other receivables	23.76	-
	837.47	**41.51**

* Represents Initial Public Offer(IPO) related expenses receivable from selling shareholder which shall be deducted from the amount received from the IPO ("Offer for Sale Proceeds"). Refer Note 41

Note-7 Other non-current assets
Unsecured, considered good (unless otherwise stated)

	As at 31st March, 2022	As at 31st March, 2021
Capital advances	53.41	28.80
Less: Allowance for doubtful advances	(3.77)	(3.77)
Refund due from government authorities	60.23	82.30
Deposits with government authorities	49.32	62.83
Total	**159.19**	**170.16**

Note-8 Inventories

(Cost or Net Realisable value,whichever is lower)

	As at 31st March, 2022	As at 31st March, 2021
Raw materials	1,276.69	1,256.60
Raw material in transit	341.14	167.93
Work-in-progress	2,438.15	2,070.90
Finished goods	2,877.90	3,402.04
Stock-in-trade	1,216.14	900.78
Stock-in-trade in transit	142.33	149.84
Stores and spares	367.57	466.24
Total	**8,659.92**	**8,414.33**

Write-down of inventories are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value and in case of reversal of write-down are mainly on account of commodity price movement (steel) and changes in market demand pattern due to changes in market dynamics. Reversal of write-down of inventories amounted to Rs. 465.98 lakhs for the year ended 31st March, 2022 (Write-down Rs.272.88 lakhs for the year ended 31st March, 2021). These write- downs or reversal thereof were recognised as expenses / reduction of expenses and included in 'Raw material consumed', 'changes in value of inventories of finished goods, stock- in -trade and work -in- progress' and 'consumption of stores and spares' in the standalone Statement of Profit and Loss.

Note-9 Trade receivables

	As at 31st March, 2022	As at 31st March, 2021
Trade Receivables from related parties (Refer note 41)	241.55	304.79
Trade Receivables from others customers	4,082.89	1,521.86
Less: Loss allowances	(377.56)	(441.03)
Total receivables	**3,946.88**	**1,385.62**

Break-up of security details

	As at 31st March, 2022	As at 31st March, 2021
Considered good, Secured	159.10	131.86
Considered good, Unsecured	4,165.34	1,694.79
Receivables which have significant increase in credit risk	-	-
Receivables credit impaired	-	-
Total	**4,324.44**	**1,826.65**
Less: Loss allowances	(377.56)	(441.03)
Total trade receivables	**3,946.88**	**1,385.62**

Refer Note-38 for information about credit risk and market risk of trade receivable.

Note:

Trade Receivable (considered good) ageing schedule

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March, 2022	3,501.69	445.20	12.59	0.86	1.58	362.52	4,324.44
As at 31st March, 2021	1,359.07	20.21	0.36	4.60	5.76	436.65	1,826.65

There are no disputed trade receivables.

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Note-10 Cash and cash equivalents

	As at 31st March, 2022	As at 31st March, 2021
Balances with Banks		
- In current accounts	243.62	380.05
Cash on hand	1.87	2.07
Total	**245.49**	**382.12**

Note-11 Other current assets
Unsecured, considered good (unless otherwise stated)

	As at 31st March, 2022	As at 31st March, 2021
Export benefit receivables	435.71	509.49
GST receivable/refundable	665.51	1,138.22
Advances to suppliers	523.50	529.59
Prepaid expenses	80.65	71.93
Other receivables	9.37	34.40
Total	**1,714.74**	**2,283.63**

Note-12 Assets held for sale

	As at 31st March, 2022	As at 31st March, 2021
Land - Freehold	-	35.47
Building	-	70.28
Total	**-**	**105.75**

During financial year 2017-18, the Company closed its plant at Kolkata, pursuant to which, during FY 2018-19, the Company decided to sell its remaining assets (land and building of Kolkata plant) with a carrying value of Rs 105.75 Lakhs.
During the year, the Company has completed the government clearances process to execute the sale of Land and Building situated at Kolkata and Deed of Conveyance has been executed on 25th March, 2022. Gain arising on transaction is shown as exceptional item in the statement of profit and loss.

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Note-13 Equity Share capital

	As at 31st March, 2022	As at 31st March, 2021
Authorised		
8,50,00,000 Equity Shares of Rs. 2 each [31st March, 2021 : 1,70,00,000 Equity Shares of Rs. 10 each] #	1,700.00	1,700.00
22,00,000 [31st March, 2021 : 22,00,000] 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100 each *	2,200.00	2,200.00
Total	**3,900.00**	**3,900.00**
Issued, subscribed and fully paid up		
5,24,43,948 Equity Shares of Rs. 2 each [March 31, 2021 : 87,40,658 Equity Shares of Rs. 10 each] #	1,048.88	874.07
Nil [31st March, 2021: 22,00,000] 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100 each*	-	2,200.00
Total	**1,048.88**	**3,074.07**

a) Reconciliation of number of shares outstanding

	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity Shares #				
Balance as at the beginning of the year	87,40,658	874.07	87,40,658	874.07
Add: Impact of sub-division of equity shares #	3,49,62,632	-	-	-
	4,37,03,290	874.07	87,40,658	874.07
Add: Bonus Shares issued during the year #	87,40,658	174.81	-	-
Balance as at the end of the year	**5,24,43,948**	**1,048.88**	**87,40,658**	**874.07**
Instruments entirely equity in nature				
9% Non-Cumulative Convertible Preference Shares ("Preference Shares" or "NCCPS") *				
Balance as at the beginning of the year	22,00,000	2,200.00	22,00,000	2,200.00
Less:- Redeemed during the year	(22,00,000)	(2,200.00)	-	-
Balance as at the end of the year	**-**	**-**	**22,00,000**	**2,200.00**

b) Right, Preference and Restrictions attached to shares:

i) Equity shares: The Company has only one class of equity shares having par value of Rs.2 per share. Each shareholder is entitled to one vote per share. In the event of liquidation of the Company's the holder of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential payments. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Preference shares: Pursuant to the approval of Board of Directors in their meeting held on September 27, 2021, the Company has exercised its option and redeemed NCCPS on October 06, 2021.

c) Shares of the Company held by holding Company

	As at 31st March, 2022	As at 31st March, 2021
Equity Shares:#		
Raymond Limited, India and its nominees	5,24,43,948	87,40,658
Preference Shares:*		
Raymond Limited, India	-	22,00,000

d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholders	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	% of Holding	Number of shares	% of Holding
Equity Shares :#				
Raymond Limited, India and its nominees	5,24,43,948	100%	87,40,658	100%
Preference Shares :*				
Raymond Limited, India	-	-	22,00,000	100%

e) During the five years immediately preceding the reporting date, no shares have been bought back nor had the Company issued any bonus shares or any shares for consideration other than cash. (Also Refer Note 48)

f) Terms of any securities convertible into equity - Refer Note 13b(ii)

g) Disclosure of Shareholding of Promoters
Since all the shares of the Company are held by its promoter Raymond Limited and there being no changes in such shareholding as at the end of the each year referred in 13 d) above, hence no separate disclosure is required in respect of 'Disclosure of Shareholding of Promoters'.

* Refer Note 40 for Redemption Of 9% Non-Cumulative Convertible Preference Shares ("9% NCCPS")

 # Refer Note 45, Note 46 and Note 47 for Name Change of the Company, sub-division of equity shares and issue of bonus shares.

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Note 14 Other Equity

	Reserves & Surplus				Total
	Securities Premium	**Capital Reserve**	**Capital Redemption Reserve**	**Retained Earnings**	
Balance as at 1st April, 2020	**314.50**	**-**	**-**	**2,855.60**	**3,170.10**
Profit for the year	-	-	-	2,448.61	2,448.61
Remeasurement of defined benefit obligation, net of tax	-	-	-	(132.02)	(132.02)
Total Comprehensive Income for the year	-	-	-	2,316.59	2,316.59
Balance as at 31st March, 2021	**314.50**	**-**	**-**	**5,172.19**	**5,486.69**
Profit for the year	-	-	-	5,871.36	5,871.36
Remeasurement of defined benefit obligation, net of tax	-	-	-	(143.16)	(143.16)
Total Comprehensive Income for the year	-		-	5,728.20	11,214.89
Dividends	-	-	-	(2,097.76)	(2,097.76)
Issue of Bonus Shares	(174.81)	-	-	-	(174.81)
Capital contribution by parent (Refer Note 48)	-	2,838.10	-	-	2,838.10
Transfer (to) / from capital redemption reserve	-	-	2,200.00	(2,200.00)	-
Balance as at 31st March , 2022	**139.69**	**2,838.10**	**2,200.00**	**1,430.44**	**11,780.42**

Securities Premium
Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Act.

Capital Reserve
Capital Reserve pertains to the transfer by way of delivery, 100% equity share capital of Scissors Engineering Product Limited to the Company at Nil consideration.

Capital Redemption Reserve
Capital Redemption Reserve is created on redemption of NCCPS and it is non-distributable reserve.

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

Note 15 - Current borrowings

	Terms of repayments	Interest Rate	As at 31st March, 2022	As at 31st March, 2021
Loans repayable on demand				
Secured				
From banks				
- Cash Credit	Repayable on demand	8.20% ~8.55%	279.57	331.29
- Packing credit	Single repayment at end of term	3.63%~7.62%	562.81	651.82
- Working Capital Demand Loan (WCDL)	Repayable on demand	7.30%	-	500.00
(The above borrowings are secured by way of first pari passu charge on all current assets of the Company)				
Total current borrowings			**842.38**	**1,483.11**
Less: Interest accrued but not due on borrowings (included in Note 17)			(1.84)	(1.82)
Total			**840.54**	**1,481.29**

The carrying amounts of financial and non-financial assets as security for secured borrowings are disclosed in Note 34 - Assets pledged as security

In respect of borrowings made from Banks on the basis of security of current assets, quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts in respect of both years referred above and there are no material discrepancies found.

The above borrowings have been utilized by the Company for meeting requirement as per the terms of the loans and has not been further advanced or loaned by the Company to any other parties.

Net debt reconciliation	As at 31st March, 2022	As at 31st March, 2021
Cash and cash equivalents	(245.49)	(382.12)
Current Borrowings	840.54	1,481.29
Interest accrued but not due on borrowings	1.84	1.82
Lease liabilities	1,551.99	1,410.43
Net debt	**2,148.88**	**2,511.42**

	Other assets	Liabilities from financing activities			
	Cash and Cash equivalents	**Lease Liabilities**	**Non current borrowings (Including interest accrued)**	**Current borrowings (Including interest accrued)**	**Total**
Net Debt as at April 1, 2020	**6.88**	**1499.34**	**-**	**3847.06**	**5339.52**
Cash flows	375.24	(88.91)	-	(2,362.63)	(2,826.78)
Interest expense	-	160.18	9.61	187.66	357.45
Interest paid	-	(160.18)	(9.61)	(188.98)	(358.77)
Net Debt as at March 31, 2021	**382.12**	**1410.43**	**-**	**1483.11**	**2,511.42**
Non cash movement	-	253.94	-	-	253.94
Cash flows	(136.63)	(112.38)	-	(640.75)	(616.50)
Interest expense	-	167.88	-	156.05	323.93
Interest paid	-	(167.88)	-	(156.03)	(323.91)
Net Debt as at March 31, 2022	**245.49**	**1551.99**	**-**	**842.38**	**2,148.88**

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Note-16 - Trade payables

	As at 31st March, 2022	As at 31st March, 2021
Current		
- Trade payables to related parties (Refer note 41)	601.54	644.66
- Trade payables: micro and small enterprises (Refer note 31)	304.44	324.82
- Trade payables: others	3,532.62	4,703.80
Total	**4,438.60**	**5,673.28**

Note:
Trade Payable ageing schedule

Particulars	Unbilled dues	Not Due	Outstanding for following years from due date of payment				
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
As at March 31, 2022							
(i) MSME	-	304.44	-	-	-	-	304.44
(ii) Others	1,342.94	1,711.35	1,050.62	11.96	9.85	7.44	4,134.16
Total	1,342.94	2,015.79	1,050.62	11.96	9.85	7.44	4,438.60
As at March 31, 2021							
(i) MSME	-	324.82	-	-	-	-	324.82
(ii) Others	1,494.17	2,714.89	1,075.17	27.40	31.48	5.35	5,348.46
Total	1,494.17	3,039.71	1,075.17	27.40	31.48	5.35	5,673.28

There are no disputed trade payables.

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

Note-17 - Other current financial liabilities

	As at 31st March, 2022	As at 31st March, 2021
Interest accrued but not due on borrowings	1.84	1.82
Capital creditors	40.94	11.70
Deposits from dealers, agents etc.	591.33	588.58
Employee Benefits payable	1,462.98	1,264.22
Derivative financial instruments (Refer Note 38)	-	5.50
Other payables	57.95	32.87
Total	**2,155.04**	**1,904.68**

Refer Note-38 for information about Liquidity risk of Financial Liabilities

Note-18 - Provisions

	As at 31st March, 2022	As at 31st March, 2021
Provision for employee benefits (Refer note 30)		
-Gratuity	287.08	262.71
-Compensated absences	406.79	366.47
Total	**693.87**	**629.18**

Note 19-Other Current liabilities

	As at 31st March, 2022	As at 31st March, 2021
Contract Liabilities *	1289.36	858.89
Advance against assets held for sale (Refer note 12)	-	1324.98
Statutory dues payable	263.94	176.94
Refund Liabilities	86.38	74.87
Stamp Duty Payable	177.80	177.80
Other Payables	27.99	39.98
Total	**1,845.47**	**2,653.46**

* Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year.

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Note-20 Revenue from Operations

	Year ended 31st March, 2022	Year ended 31st March, 2021
Revenue from contract with customers		
Sale of Products - recognised at a point in time		
(i) Manufactured goods - Domestic	17,428.53	13,597.44
(ii) Manufactured goods - Export	24,767.29	14,839.52
(iii) Stock-in trade- Domestic	5,322.68	4,630.64
(iv) Stock-in trade- Export	735.13	700.72
Total (A)	**48,253.63**	**33,768.32**
Sale of Services - recognised over a period of time	688.12	78.60
Total (B)	**688.12**	**78.60**
Revenue from contracts with customers (C= A+B)	**48,941.75**	**33,846.92**
Other operating revenue		
(i) Export Incentives	575.38	489.55
(ii) Process waste sale	774.43	471.47
Total (D)	**1,349.81**	**961.02**
Total (C + D)	**50,291.56**	**34,807.94**

Notes:
(i) Disaggregation of revenue from contracts with customers:
The Company derives revenue from the transfer of goods and services in the following geographical regions:

	Year ended 31st March, 2022	Year ended 31st March, 2021
India	22,751.21	18,228.08
Africa	6,967.14	4,435.14
Latin America	11,037.36	7,278.93
North America	1,426.21	777.16
Asia (excluding India)	4,583.39	2,129.73
Europe	2,176.44	997.88
Total	**48,941.75**	**33,846.92**

The Company derives revenue from the transfer of following goods and services:

	Year ended 31st March, 2022	Year ended 31st March, 2021
Files	30,095.38	19,738.25
Drills	9,828.90	7,057.51
Hand tools and power tool accessories	4,714.01	4,245.25
Power tool machines	1,312.25	1,062.20
Others	2,303.09	1665.11
Sale of Products (A)	**48,253.63**	**33,768.32**
Sale of Services (B)	688.12	78.60
Revenue from contracts with customers (A + B)	**48,941.75**	**33,846.92**

(ii) Unsatisfied performance obligations resulting from revenue from contracts with customers

	Year ended 31st March, 2022	Year ended 31st March, 2021
Aggregate amount of the transaction price allocated to sale contracts that are partially or fully unsatisfied	85.18	18.08
	85.18	**18.08**

(iii) Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year.

(iv) Reconciliation of revenue recongnised with contract price:

	Year ended 31st March, 2022	Year ended 31st March, 2021
Contract price	50,951.11	35,611.51
Adjustments for :		
Refund liabilities - discounts, rebates, sales related schemes, incentives etc.	(2,009.36)	(1,764.59)
Revenue from contract with customers	**48,941.75**	**33,846.92**

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Note-21 Other income

	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest income		
- on financial assets at amortised cost	129.16	168.32
- on income tax / sales tax refund	-	6.49
- others	1.45	7.16
Net gain on foreign exchange fluctuations	36.95	4.94
Net gain on disposal/discard of property, plant and equipment	9.40	2.31
Dividend Income	1,304.81	-
Gain on termination of lease	104.73	-
Miscellaneous Income	104.36	364.52
Total	**1,690.86**	**553.74**

Note-22 Cost of raw materials consumed

	Year ended 31st March, 2022	Year ended 31st March, 2021
Raw material at the beginning of the year	1,424.53	1,258.63
Purchases	16,067.94	10,899.91
Less : Raw material at the end of the year	1,617.83	1,424.53
Total	**15,874.64**	**10,734.01**

Note-23 Purchases of Stock-in-Trade

	Year ended 31st March, 2022	Year ended 31st March, 2021
Purchases of Stock-in-Trade	5,172.04	4,253.89
Total	5,172.04	4,253.89

Note-24 Changes in inventories of work-in-progress , finished goods and stock-in-trade

	Year ended 31st March, 2022	Year ended 31st March, 2021
Opening inventories		
Work-in-progress	2,070.90	1,446.41
Finished goods	3,402.04	1,809.13
Stock-in-trade	1,050.62	1,017.27
	6,523.57	**4,272.81**
Closing inventories		
Work-in-progress	2,438.15	2,070.90
Finished goods	2,877.90	3,402.04
Stock-in-trade	1,358.47	1,050.62
	6,674.52	**6,523.57**
Total	**(150.95)**	**(2,250.75)**

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Note-25 Employee benefits expense

	Year ended 31st March, 2022	Year ended 31st March, 2021
Salaries, wages and bonus	5,913.17	4,828.75
Gratuity Expense (Refer Note 30)	132.23	106.05
Contribution to provident and other funds (Refer Note 30)	335.08	313.24
Workmen and Staff welfare expenses	340.78	219.63
Total	**6,721.26**	**5,467.67**

Note-26 Finance costs

	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest expense on term loan	-	9.61
Interest on lease obligation	167.88	160.18
Interest expense on current borrowings	97.75	150.65
Interest on shortfall of advance tax	13.02	11.73
Interst expense - Others	58.30	34.86
Other borrowing costs	-	2.15
Total	**336.95**	**369.18**

Note-27 Depreciation and amortization expense

	Year ended 31st March, 2022	Year ended 31st March, 2021
Depreciation on property, plant and equipment	684.54	757.21
Depreciation on right-of-use asset	167.68	142.04
Amortization on intangible assets	3.87	3.74
Total	**856.09**	**902.99**

Note-28 Other Expenses

Note-28 (a) Manufacturing and Operating expenses

	Year ended 31st March, 2022	Year ended 31st March, 2021
Consumption of stores and spare parts	3,991.92	3,011.19
Power and fuel	1,823.81	1,531.68
Job work charges	3,282.73	2,712.55
Payment to labour contractor	2,063.46	1,494.42
Repairs to buildings	68.34	45.35
Repairs to machinery	334.47	315.05
Other Manufacturing and Operating expenses	181.05	176.96
Total (A)	**11,745.78**	**9,287.21**

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Note-28 (b) Other expenses

	Year ended 31st March, 2022	Year ended 31st March, 2021
Rent	184.40	181.72
Insurance	186.36	109.64
Repairs & Maintainence Others	83.04	70.61
Rates and Taxes	25.29	25.74
Commission to selling agents	840.84	709.96
Freight, Octroi, etc	1,750.42	829.77
Legal and Professional Expenses	244.66	269.18
IT outsourced Support Services	148.76	148.92
Travelling & Conveyance	174.70	91.47
Advertisement Expenses	36.30	5.59
Sales Promotion expenses	81.13	97.67
Director sitting fees & Commission	40.00	3.00
Facility Charges (Refer note 41)	475.00	346.36
Corporate Social Responsibilty (Refer note 42)	50.00	35.02
Bad Debts written off	-	3.24
Less: Allowances there against	-	(3.24)
Software expenses	51.90	44.26
Security charges	176.01	138.28
Communication expenses	32.42	34.59
Printing and stationery expenses	43.09	38.43
Motor car expenses	70.23	63.00
Miscellaneous expenses	300.72	223.78
Total (B)	**4,995.27**	**3,466.99**
Total (A+B)	**16,741.05**	**12,754.20**

Note-28 (c) Details of payment to auditors included in legal and professional expenses

	Year ended 31st March, 2022	Year ended 31st March, 2021
Payment to auditors		
a) Audit fees	17.00	9.00
b) Limited Review	3.50	3.00
In other capacities		
a) Certification Fees	0.60	0.60
b) Reimbursement of out-of-pocket expenses	0.09	0.14
Total payments to auditors *	**21.19**	**12.74**

* Invoices amounting to Rs 140.74 lakhs towards initial public offer related work has been shown under other current financial assets (Refer Note 6).

Note-28 (d): Corporate social responsibility expenditure

	Year ended 31st March, 2022	Year ended 31st March, 2021
Amount required to be spent by the Company during the year	50.00	35.02
Amount of expenditure incurred	50.00	35.02
Amount of shortfall for the year	-	-
Amount of cumulative shortfall at the end of the year	-	-

Refer Note 42

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Note 29(a): Income Taxes

Standalone Tax expense recognised in the Statement of Profit and Loss

	As at 31st March, 2022	As at 31st March, 2021
Current tax		
Current year	1,634.14	753.14
Adjustments for prior periods	12.24	-
Total current tax	**1,646.38**	**753.14**
Deferred tax		
Deferred tax charge	163.90	88.53
Total deferred tax	**163.90**	**88.53**
Total income tax expense	**1,810.28**	**841.67**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

Reconciliation of effective tax rate	As at 31st March, 2022	As at 31st March, 2021
Profit before tax	7,681.64	3,290.28
Applicable income tax rate	**25.17%**	**25.17%**
Tax Expense at applicable income tax rate	1,933.32	828.10
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income	19.31	11.63
Dividend income not taxable on account of section 80M	(328.39)	-
Additional capital gain tax on differential amount	200.97	-
Differential tax rate in respect of capital gains	(22.95)	-
Adjustments for prior periods	12.24	-
Others	(4.22)	1.94
Total income tax expense	**1810.28**	**841.67**

Consequent to reconciliation items shown above, the effective tax rate is 23.57% (31st March ,2021: 25.58%).

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Note 29(b): Current tax assets (net) - non-current

	As at 31st March, 2022	As at 31st March, 2021
Current tax assets (net of provision of Rs. 3,700.54 Lakhs (March 31, 2021: Rs. 4,931.58 Lakhs))	90.39	208.49
	90.39	**208.49**

Note 29(c): Current tax assets (net) -Current

	As at 31st March, 2022	As at 31st March, 2021
Current tax assets (net of provision of Rs. 485.12 Lakhs (March 31, 2021: Rs.Nil))	118.10	-
	118.10	**-**

Note 29(d): Current tax liabilities (net)

	As at 31st March, 2022	As at 31st March, 2021
Current tax liabilities (net of taxes paid of Rs. 1221.84 Lakhs (March 31,2021: Rs Nil))	373.62	-
	373.62	**-**

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

Note 29(e): Deferred tax assets (net)

The movement in deferred tax assets and liabilities during the year ended 31st March , 2022

Particulars	As at 1st April, 2021	Credit/(charge) in Statement of Profit and Loss	As at 31st March , 2022
Deferred tax assets on account of :			
Amounts allowable for tax purpose on payment basis	92.24	10.15	102.39
Allowances for doubtful receivable and advances	132.08	(15.98)	116.10
Amount paid under voluntary retirement scheme	138.31	(136.85)	1.46
Lease Liabilities	355.02	35.63	390.65
Other temporary differences	57.42	(57.42)	-
	775.07	**(164.47)**	**610.60**
Deferred tax (liabilities) on account of:			
Property plant and equipment and intangible assets	(320.76)	50.22	(270.54)
Right-of-use Assets	(238.80)	(49.65)	(288.45)
	(559.56)	**0.57**	**(558.99)**
Total	**215.51**	**(163.90)**	**51.61**

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Note 29(e): Deferred tax assets (net)

The movement in deferred tax assets and liabilities during the year ended 31st March , 2021

Particulars	As at 1st April, 2020	Credit/(charge) in Statement of Profit and Loss	As at 31st March , 2021
Deferred tax assets on account of :			
Amounts allowable for tax purpose on payment basis	79.29	12.95	92.24
Allowances for doubtful receivable and advances	174.32	(42.24)	132.08
Amount paid under voluntary retirement scheme	293.31	(155.00)	138.31
Lease Liabilities	377.38	(22.36)	355.02
Other temporary differences	57.45	(0.03)	57.42
	981.75	**(206.67)**	**775.07**
Deferred tax (liabilities) on account of:			
Property plant and equipment and intangible assets	(404.72)	83.96	(320.76)
Right-of-use Assets	(272.98)	34.18	(238.80)
	(677.70)	**118.14**	**(559.56)**
Total	**304.05**	**(88.53)**	**215.51**

Note:-
JK Talabot Limited has declared one off dividend by utilising 75.54 % of its cumulative earnings and which has been passed on by the Company to its parent Company. As per the provisions of section 80M of the Income Tax Act, 1961, there will be no tax liability on the Company in respect of the dividend received.

Note 30: Post retirement benefit plans

i) Defined benefit plans - Gratuity

The Company provides for gratuity for employees in India as per the payment of gratuity act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed propertionately for 15 days salary multiplied by the number of years of services, subject to ceiling of Rs. 20 lakhs . The gratuity plan is funded plan and the Company makes contributions to recognised fund in India.

The amount recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as below:

A. Balance Sheet

	As at 31st March, 2022	As at 31st March , 2021
Present value of defined benefit obligation	(2,535.93)	(2,211.13)
Fair value of plan assets	2,248.85	1,948.42
Net defined benefit obligation	**(287.08)**	**(262.71)**

B. Movements in plan assets and plan liabilities

	As at 31st March, 2022			As at 31st March ,2021		
	Plan liabilities	**Plan Assets**	**Net**	**Plan liabilities**	**Plan Assets**	**Net**
As at beginning of the year	**(2,211.13)**	**1948.42**	**(262.71)**	**(1,966.18)**	**1915.49**	**(50.69)**
Current service cost (including past service cost)	(114.21)	-	**(114.21)**	(102.58)	-	**(102.58)**
Interest (cost)/Income	(151.68)	133.66	**(18.02)**	(134.49)	131.02	**(3.47)**
Remeasurements:						
Return on plan assets excluding actual return on plan asset	-	1.50	**1.50**	-	(2.91)	**(2.91)**
Gain/(loss) arising from changes in demographic assumptions	(0.31)	-	**(0.31)**	-	-	**-**
Gain/(loss) arising from changes in financial assumptions	(34.41)	-	**(34.41)**	2.89	-	**2.89**
Gain/(loss) arising from experience adjustments	(148.62)	-	**(148.62)**	(171.19)	-	**(171.19)**
Employer contributions	-	289.70	**289.70**	7.11	58.13	**65.24**
Benefit payments	124.43	(124.43)	**-**	153.31	(153.31)	-
As at end of the year	**(2,535.93)**	**2,248.85**	**(287.08)**	**(2,211.13)**	**1,948.42**	**(262.71)**

The present value of obligation at each balance sheet date above relates to active employees.

The liabilities are split between different categories of plan participants as follows:
- Active members - 2021-22: 1096 Nos. (2020-21:1126 Nos.)
- Deferred members -2021-22 Nil (2020-21: Nil)
- Retired members - 2021-22 Nil (2020-21: Nil)

C. The Company expects to contribute Rs. 230.16 lakhs to the funded plans in financial year 2022-23 (2021-22Rs 209.78 lakhs) for gratuity.

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D. Statement of Profit and Loss

	Year ended 31st March, 2022	Year ended 31st March, 2021
Employee Benefit Expenses:		
Current service cost (including past service cost)	114.21	102.58
	114.21	**102.58**
Interest Cost	18.02	3.47
Net impact on the Profit before tax	**132.23**	**106.05**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding actual return on plan asset	1.50	(2.91)
Gain/(loss) arising from changes in demographic assumptions	(0.31)	-
Gain/(loss) arising from changes in financial assumptions	(34.41)	2.89
Gain/(loss) arising from experience adjustments	(148.62)	(171.19)
Net impact on the Other Comprehensive Income before tax	**(181.84)**	**(171.21)**

E. Assets

	As at 31st March, 2022	As at 31st March, 2021
Insurer managed fund	2,248.85	1,948.42
Total	**2,248.85**	**1,948.42**

F. Significant Estimate: Actuarial assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

	As at 31st March, 2022	As at 31st March, 2021
Financial Assumptions		
Discount rate	6.98%	6.86%
Salary Escalation Rate	7.50%	3%~7.5%
Atrrition rate	2.00%	2.00%
Return on plan assets	6.98%	6.86%

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality 2012-14 (Urban) as at 31st March, 2022 / Indian Assured Lives Mortality (2006-08) Ultimate table as at 31st March, 2021

G. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

		As at 31st March, 2022		As at 31st March, 2021	
	Change in assumption	Increase in assumption having an impact on present value of plan liability	Decrease in assumption having an impact on present value of plan liability	Increase in assumption having an impact on present value of plan liability	Decrease in assumption having an impact on present value of plan liability
Discount rate	1%	(143.71)	161.47	(136.12)	153.14
Salary Escalation Rate	1%	156.56	(142.64)	151.16	(136.96)
Attrition rate	1%	(4.86)	5.34	(3.94)	4.51

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

H. The defined benefit obligations shall mature after year end 31st March, 2022 as follows:

	Defined benefit obligation	
Gratuity :	**As at 31st March, 2022**	**As at 31st March, 2021**
1st year	258.47	126.27
2nd year	148.27	138.25
3rd year	256.94	223.03
4th year	273.09	218.50
5th year	334.14	240.63
Thereafter	3022.99	2,893.14

Risk Exposure

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset volatility Risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. These are subject to interest rate risk and the fund manages interest rate risk to an acceptable level.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(ii) Defined contribution plans :

The Company also has certain defined contribution plans. Contributions are made to provident fund, employess state insurance scheme etc in India for employees .The contributions are made to registered fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is Rs 335.08 Lakhs. (31st March, 2021 Rs. 313.24 lakhs).

(iii) Compensated absences:

The leave obligations cover the Company's liability for sick and earned leave.

The amount of the provision of Rs 406.79 lakhs for 31st March, 2022 (Rs 366.47 lakhs for 31st March, 2021) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

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

Note-31 The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 are as follows.

	As at 31st March, 2022	As at 31st March, 2021
Principal amount due to suppliers registered under MSME Act and remaining unpaid as at year end	304.44	323.85
Interest due thereon to suppliers registered under the MSMED Act and remaining unpaid as at the year end	-	0.97
Principal Amounts paid to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	46.03
Interest paid, other than under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed date during the year	0.97	-
Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	0.97
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of deductible expenditure under section 23 of the MSMED Act	-	-

Note 32: Social security code

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the year the Code becomes effective.

Note 33: Earnings per share

		Year ended 31st March, 2022	Year ended 31st March, 2021
Basic Earnings Per Share has been computed as under:			
Profit for the year	A	5,871.36	2,448.61
Weighted average number of equity shares outstanding (in nos.)		5,24,43,948	87,40,658
Add: Impact of sub-division of equity shares (Refer Note 46)		-	3,49,62,632
Add: Impact of bonus equity shares (Refer Note 47)		-	87,40,658
Weighted average number of equity shares for basic EPS	B	5,24,43,948	5,24,43,948
Earnings Per Share (Rs.)	A/B	11.20	4.67
Diluted			
Profit for the year		5,871.36	2,448.61
Less: Adjustment		-	-
Adjusted Profit for the year	C	5,871.36	2,448.61
Weighted average number of equity shares outstanding for basic EPS (in nos.)		5,24,43,948	5,24,43,948
Add: Dilutive potential equity share (Refer Note 13)		9,44,275	18,33,300
Add: Dilutive impact of sub-division of potential equity shares (Refer Note 46)		37,77,100	73,33,200
Weighted average number of equity shares for dilutive EPS	D	5,71,65,323	6,16,10,448
Dilutive Earnings Per Share (Rs.)	C/D	10.27	3.97
Nominal value per equity share (in Rs.)		2.00	2.00

Note 34 :Assets pledged as security

The carrying amounts of assets pledged as security are:

	As at 31st March, 2022	As at 31st March,2021
Current Assets		
Floating Charge		
Trade receivables	3,946.88	1,385.62
Inventories	8,659.92	8,414.33
Cash and cash equivalents	245.49	382.12
Others financial asset	837.47	41.51
Other current assets	1,714.74	2,283.63
Total assets pledged as security	**15,404.50**	**12,507.21**

Note 35: Contingent liabilities (to the extent not provided for)

	As at 31st March, 2022	As at 31st March,2021
Contingent Liabilities		
(i) Claims against the Company not acknowledged as debts in respect of:		
Income Tax Matters	102.69	110.66
Sales tax Matters	150.07	299.69
Excise and service tax Matters	26.38	26.38
Other Matters	130.05	130.05

(ii)The Supreme Court of India, through a ruling in February 2019, provided guidelines for interpreting the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. There is significant uncertainty and ambiguity in interpreting and giving effect to the guidelines of Supreme Court. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the Supreme Court Order. The Company will evaluate its position and act as clarity emerges on impact of the ruling.

The amount shown in respect of above items represent the best possible estimates arrived at on basis of available information. The uncertainties are dependent on the outcome of different legal process. The timing of cash flows will be determinable only on receipt of judgement / decisions pending with various forums / authorities.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

Note 36: Commitments

Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	As at 31st March, 2022	As at 31st March,2021
Property, plant and equipment	317.28	45.91
Less: Capital advances	53.41	28.80
Property, plant and equipment (Net of capital advances)	**263.87**	**17.11**

Other Commitments

During the year ended March 31, 2022, the Company has entered into a Memorandum of Understanding ('MoU') with Tata Capital Financial Services Limited (TCFSL). Pursuant to MoU, the TCFSL will provide channel finance facility to Company's dealers /distributors upto a maximum limit of Rs 2,000 lakhs. The Company provides guarantee of maximum 15% of program limit as first loss default guarantee ("FLDG") and to the extent of terms and conditions mentioned therein. As at March 31, 2022, there are no such exposure with TCFSL.

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Note 37: Fair Value measurement

Financial instruments by category

	As at March 31, 2022		As at March 31, 2021	
	FVPL	Amortised Cost	FVPL	Amortised Cost
Financial Assets				
Loans	-	-	-	2,900.00
Derivative Financial instruments	6.66	-	-	-
Other Financial Assets	-	1,015.18	-	188.83
Trade receivable	-	3,946.88	-	1,385.62
Cash and Cash equivalents	-	245.49	-	382.12
	6.66	**5,207.55**	**-**	**4,856.57**
Financial Liabilities				
Borrowings	-	840.54	-	1,481.29
Other Financial Liabilities	-	2,155.04	-	1,899.19
Derivative financial instruments	-	-	-	5.50
Trade Payables	-	4,438.60	-	5,673.28
	-	**7,434.18**	**-**	**9,059.26**

Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements	As at March 31, 2022		As at March 31, 2021	
	Level 1	Level 2	Level 1	Level 2
Financial Assets				
Derivative Financial instruments	-	6.66	-	-
Total financial assets	**-**	**6.66**	**-**	**-**
Financial Liabilities				
Derivative financial instruments	-	-	-	5.50
Total financial liabilities	**-**	**-**	**-**	**5.50**

Financial instruments by category

The fair values of the financial assets and liabilities are 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:

1. Fair value of trade receivables, cash and cash equivalent, other bank balances, other current financial asset (other than derivative), trade payable and other current financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Valuation Technique used to determine fair value

- the use of NAV declared by the fund for investment in mutual funds
- the fair value of forward exchange contracts is determined using forward exchange rates at the reporting date.

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

Note 38 : Financial risk management objectives

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The Company financial risk management is set by the Working Board comprising of CEO, CFO and various head of departments. The policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls are monitored by higher authorities and approved by senior management. This note explains the sources of risk which the Company is exposed to and how the Compnay manages the risk and the related impact in the standalone financial statements.

A) 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 market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, the Compnay performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

a) Exposure to interest rate risk

Particulars	As at 31st March, 2022	As at 31st March,2021
Total borrowings	840.54	1,481.29
% of Borrowings bearing variable rate of interest	100%	100%

b) Interest rate sensitivity
A change of 50 bps in interest rates would have following Impact on profit before tax

	Year ended 31st March, 2022	Year ended 31st March, 2021
50 bp increase would decrease the profit before tax by	4.20	7.41
50 bp decrease would Increase the profit before tax by	(4.20)	(7.41)

b) Market risk - Foreign Currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by Forward Contracts, purchasing of goods, commodities and services in the respective currencies.

(a)Foreign Currency Exposure as at the reporting date

	As at March 31, 2022						
Particulars	**USD (in Mn.)**	**In Rs**	**EUR (in Mn.)**	**In Rs**	**GBP (in Mn.)**	**In Rs**	**Total (In Rs.)**
Trade Receivable	3.13	2,371.31	0.85	716.26	-	-	3,087.57
Offset by Derivatives : Foreign Exchange Forwards Contracts	(1.20)	(918.74)	(0.29)	(252.83)	-	-	(1,171.57)
Net Exposure	**1.93**	**1,452.57**	**0.56**	**463.43**	**-**	**-**	**1,916.00**
Trade Payable	0.19	145.96	-	-	-	-	145.96
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net Exposure	**0.19**	**145.96**	**-**	**-**	**-**	**-**	**145.96**
Packing Credit in Foreign Currency	0.74	561.94	-	-	-	-	561.94
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net Exposure	**0.74**	**561.94**	**-**	**-**	**-**	**-**	**561.94**

	As at March 31, 2021						
Particulars	**USD (in Mn.)**	**In Rs**	**EUR (in Mn.)**	**In Rs**	**GBP (in Mn.)**	**In Rs**	**Total (In Rs.)**
Trade Receivable	2.12	1,552.75	0.59	508.64	-	-	2,061.39
Offset by Derivatives : Foreign Exchange Forwards Contracts	(2.12)	(1,552.75)			-	-	(1,552.75)
Net Exposure	**-**	**-**	**0.59**	**508.64**	**-**	**-**	**508.64**
Trade Payable	1.13	823.89	-	-	-	-	823.89
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net Exposure	**1.13**	**823.89**	**-**	**-**	**-**	**-**	**823.89**

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

(b)Derivative outstanding as at the reporting date

(in Mn.)

Foreign currency	As at March 31, 2022		As at March 31, 2021	
	Sell	Buy	Sell	Buy
Forward Contracts USD	1.20	-	3.30	-
Forward Contracts EURO	0.29	-	-	-

Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

Foreign Currency Risk Sensitivity
A change of 5% in foreign currency would have following impact on profit before tax

	Year ended 31st March, 2022		Year ended 31st March, 2021	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	83.17	(83.17)	36.44	(36.44)
EURO	35.81	(35.81)	25.43	(25.43)
Increase/ (Decrease) in Profit or Loss	118.98	(118.98)	61.87	(61.87)

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

B) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company.
The Company is exposed to credit risk from its operating activities (primarily trade receivables), security deposit and from its investing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalent and other bank balances

Credit risk related to cash and cash equivalents is managed by accepting highly rated banks. Management does not expect any losses from non-performance by these counterparties.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes bank deposits, loans and other receivables. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. The expected credit loss on these financial instruments is expected to be insignificant.

Trade and other receivables
The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates have been computed based on ageing

i) Movement in allowances for expected credit losses on trade receivables

	As at 31st March, 2022	As at 31st March,2021
As at beginning of the year	441.03	604.06
Less:- Write back of Loss Allowances	(63.47)	(163.03)
As at end of the year	377.56	441.03

ii) Movement in allowances for other receivables

	As at 31st March, 2022	As at 31st March,2021
As at beginning of the year	83.72	83.72
Add:- Loss Allowances	-	-
As at end of the year	83.72	83.72

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

C) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Financing arrangements
The Company had access to following undrawn Borrowing facilities at end of reporting period:

	As at 31st March, 2022	As at 31st March,2021
Variable Borrowing -Cash Credit expires within 1 year	5,359.46	4,718.71

The cash credit facilities may be drawn at any time and be terminated by bank without notice. Subject to satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

Maturities of financial liabilities

	As at 31 st March, 2022				
	On demand	**Less than 1 year**	**1-5 years**	**More than 5 years**	**Total**
Current borrowings *	840.54	-	-	-	840.54
Trade payable #	-	4,438.60			4,438.60
Lease liabilities	-	161.77	1,030.61	359.61	1,551.99
Deposits from dealers, agents etc.	-	50.00	-	541.33	591.33
Other financial liabilities (excluding Deposits from dealers, agents etc.)	-	1,563.71	-	-	1,563.71
Total	840.54	6,214.08	1,030.61	900.94	8,986.16

	As at 31 st March , 2021				
	On demand	**Less than 1 year**	**1-5 years**	**More than 5 years**	**Total**
Current borrowings *	1,481.29	-	-	-	1,481.29
Trade payable #	-	5,673.28			5,673.28
Lease liabilities	-	112.50	702.83	595.10	1,410.43
Deposits from dealers, agents etc.	-	60.00	-	528.58	588.58
Other financial liabilities (excluding Deposits from dealers, agents etc.)	-	1,316.11	-	-	1,316.11
Total	1,481.29	7,161.89	702.83	1,123.68	10,469.69

*does not include interest payable in future years, since they are repayable on demand and contractual payment to be made in respect of interest is not accurately determinable considering balance vary based on the fund requirements of the Company.
The amounts are payable over a period of 30-90 days as per the credit period with respective vendors

Note-39 Capital risk management

(a) The Company aim to manage its capital efficiency so as to safequard its ability to continue as going concern and optimise return to our shareholder

'The capital structure of the Company is based on management judgement of the appropriate balance of key element in order to meet its strategic and day to day needs. The mangement considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and risk characteristics of the underlying asset. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with focus on total equity so as to maintain stakeholder confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company's management monitors the return on capital as well as the level of dividends to shareholders.

The Company monitors the gearing ratio to evaluate debt leveraging and to ensure debts are maintained at the acceptable level.

The gearing ratio were as follows:

	As at March 31, 2022	As at March 31, 2021
Net Debt *	2,148.88	2,511.42
Total Equity	12,829.30	8,560.76
Net Debt to total equity	16.75%	29.34%

* Includes borrowings, lease liabilities, interest accrued thereon which is compensated by cash and cash equivalents.

(b) Dividend

The Company has declared interim dividend for the financial year 2021-22 of Rs. 4 each (face value Rs. 2 per share) amounting to Rs. 2,097.76 lakhs which was approved by the Board of Directors of Company in its meeting held on October 25, 2021.

Note 40: Redemption Of 9% Non-Cumulative Convertible Preference

Pursuant to the approval of the Board of Directors in their meeting held on September 27, 2021, the Company exercised its option to redeem NCCPS on October 06, 2021.

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

Note 41 Related parties disclosures as per Ind AS 24

1. **Name of the Related Parties :**

Related parties where control exists, irrespective of whether transaction has occurred or not:

(a) **Holding Company**
Raymond Limited, India

(b) **Subsidiary Company**
JK Talabot Limited, India
Ring Plus Aqua Limited, India (Refer Note 49)
Scissors Engineering Products Limited , India (Refer Note 49)

Other related parties with whom transactions have taken place during the year:

(c) **Fellow Subsidiary Companies**
Raymond (Europe) Limited, United Kingdom
Raymond Apparel Limited, India
Raymond Luxury Cotton Limited, India

(d) **Associate Enterprises**
PT. Jaykay Files Indonesia, Indonesia
PT. Jaykay International Indonesia, Indonesia
J K Helene Curtis Limited, India

Other related parties:

(e) **Key Management Personnel :**

Whole time Director	: Mr. Ganesh Kumar Subramanian (till 31st May, 2020)
Whole time Director	: Mr. Balasubramanian Vishwanathan (w.e.f 17th November, 2021)
Chief Executive Officer	: Mr. Hukumchand Lakhotiya (w.e.f 7th January, 2021)
Independent Director	: Mr. Satish Sekhri (w.e.f 17th November, 2021)
Independent Director	: Mr. Vijay Bhatt (w.e.f 17th November, 2021)
Non Executive Director	: Mr. Gautamhari Singhania (w.e.f 17 th November, 2021)
Non Executive Director	: Mr. Ravikant Uppal
Non Executive Director	: Mrs.Rashmi Brijgopal Mundada
Non Executive Director	: Mr. Ganesh Kumar Subramanian (w.e.f 1st June, 2020 till 16th November, 2021)
Non Executive Director	: Mr. Balasubramanian Vishwanathan (w.e.f 9th November, 2020 till 16th November, 2021)
Non Executive Director	: Mr. Krishnan Ashwath Narayan (till 17 th November, 2021)
Non Executive Director	: Mr. Vipin Agarwal (till 16th October, 2020)

(f) **Trust**
JK Files (India) Limited - Employees Gratuity Scheme

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Related parties disclosures as per Ind AS 24 for the year ended and as at 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Note--2. Transactions carried out with related parties referred in 1 above for the year ended and as at ended 31st March, 2022, in ordinary course of business :

Nature of transactions	Related Parties											
	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above		Referred in 1(e) above		Referred in 1(f) above	
	Year ended 31st March, 2022	Year ended 31st March, 2021	Year ended 31st March, 2022	Year ended 31st March, 2021	Year ended 31st March, 2022	Year ended 31st March, 2021	Year ended 31st March, 2022	Year ended 31st March, 2021	Year ended 31st March, 2022	Year ended 31st March, 2021	Year ended 31st March, 2022	Year ended 31st March, 2021
Purchases :												
Goods and Materials	-	-	2,215.99	1,781.63	-	-	-	-	-	-	-	-
Purchase of DEPB licence	-	-	2.65	5.65	-	-	-	-	-	-	-	-
Sales :												
Sale of products & services	-	-	932.33	625.81	-	-	-	-	-	-	-	-
Sale of property, plant and equipment	-	-	4.19	5.45	-	-	-	-	-	-	-	-
Other Income :												
Interest Income on Inter Company loan	-	-	-	-	95.88	85.52	-	-	-	-	-	-
Dividend received	-		1,304.81		-	-	-	-	-	-	-	
Expenses :												
Employee Benefits Expenses:												
Managerial remuneration	-	-	-	-	-	-	-	-	221.66	61.31	-	-
Other Expenses :												
Rent expenses	145.42	145.42	-	-	-	-	-	-	-	-	-	-
Facility Charges	475.00	346.36	-	-	-	-	-	-	-	-	-	-
Directors sitting fees & commission	-	-	-	-	-	-	-	-	40.00	3.00	-	-
Sales Promotion expneses	-	-	-	-	-	-	0.30	-	-	-	-	-
Legal and Professional Expenses									16.00	13.00		
Reimbursement of Expenses:												
Electricity charges	36.56	16.81	-	-	-	-	-	-	-	-	-	-
Legal and Professional Expenses	36.03	14.72	-	-	-	-	-	-	-	-	-	-
Miscellaneous expenses	67.14	55.11	-	0.02	-	-	-	-	-	-	-	-
Contribution to Employees Gratuity fund	-	-	-	-	-	-	-	-	-	-	262.71	58.13
Other Receipts :												
Cost of shared manpower	-	-	19.17	10.50	-	-	-	-	-	-	-	-
Reimbursement of expenses	724.15	623.88	3.35	1.43	-	-	-	-	-	-	-	-
Reimbursement of expenses(IPO)	802.56	-	-	-	-	-	-	-	-	-	-	-
Loans given :												
Inter Corporate loan Given	-	-	-	-	1,100.00	2,900.00	-	-	-	-	-	-
Inter Corporate loan repayment received	-	-	-	-	4,000.00	-	-	-	-	-	-	-
Redemption of instruments entirely in the nature of Equity	2,200.00	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	2,097.76	-	-	-	-	-	-	-	-	-	-	-

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Related parties disclosures as per Ind AS 24 for the year ended and as at 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Note--2. Transactions carried out with related parties referred in 1 above for the year ended and as at ended 31st March, 2022, in ordinary course of business :

Nature of transactions	Related Parties							
	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Outstandings :								
Trade Payable	24.89	66.91	560.50	561.60	16.15	16.15	-	-
Trade Receivable *	-	-	0.67	0.82	-	-	240.88	303.97
Loans(Current)#	-	-	-	-	-	2,900.00	-	-
Other Financial Assets (Current)	802.56	-	0.41	0.29	-	38.07	83.72	83.72

* The total receivable from PT JayKay Files and PT JayKay International, Indonesia has been provided.
# Inter Company loan receivable were provided to group companies to meet their working capital requirements.

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Related parties disclosures as per Ind AS 24 for the year ended and as at 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above for the year ended and as at 31st March, 2022, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended 31st March, 2022	Year ended 31st March, 2021
Purchases :		
Goods and Materials		
J K Talabot Limited	2,215.99	1,781.63
Purchase of DEPB licence		
J K Talabot Limited	2.65	5.65
Sales :		
Sale of products & services		
J K Talabot Limited	925.54	619.79
Ring Plus Aqua Limited.	6.79	6.02
Sale of property,plant and equipment		
J K Talabot Limited	4.19	4.54
Ring Plus Aqua Limited.	-	0.91
Other Income:		
Interest Income on Inter Company loan		
Raymond Apparel Limited.	82.81	0.21
Raymond Luxury Cotton Limited.	13.07	85.32
Dividend received		
J K Talabot Limited	1304.81	-
Expenses :		
Employee Benefits Expenses:		
Short term employee benefits		
Mr. Ganesh Kumar Subramanian	-	22.63
Mr. Hukumchand Lakhotiya	152.52	35.73
Mr. Balasubramanian Vishwanathan	60.60	-
Post employment benefits #		
Mr. Ganesh Kumar Subramanian	-	1.60
Mr. Hukumchand Lakhotiya	5.76	1.35
Mr. Balasubramanian Vishwanathan	2.78	-
Other Expenses :		
Rent expenses		
Raymond Limited	145.42	145.42
Facility Charges		
Raymond Limited	475.00	346.36
Director sitting fees & commission		
Director sitting fees		
Mrs. Rashmi Mundada Brijgopal	4.25	1.50
Mr. Ravikant Uppal	3.75	1.50
Mr. Gautam Hari Singhania	2.00	-
Mr. Satish Sekhri	5.00	-
Mr. Vijay Bhatt	5.00	-
Director commission		
Mrs. Rashmi Mundada Brijgopal	4.00	-
Mr. Ravikant Uppal	4.00	-
Mr. Gautam Hari Singhania	4.00	-
Mr. Satish Sekhri	4.00	-
Mr. Vijay Bhatt	4.00	-
Sales Promotion expneses		
J K Helene Curtis Limited.	0.30	-
Legal and Professional Expenses		
Mr. Ravikant Uppal	16.00	13.00
Reimbursement of Expenses:		
Electricity charges		
Raymond Limited	36.56	16.81
Legal and Professional Expenses		
Raymond Limited	36.03	14.72
Miscellaneous expenses		
Raymond Limited	67.14	55.11
Ring Plus Aqua Limited.	-	0.02
Employees Gratuity fund	262.71	58.13

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Related parties disclosures as per Ind AS 24 for the year ended and as at 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above for the year ended and as at 31st March, 2022, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended 31st March, 2022	Year ended 31st March, 2021
Other Receipts :		
Cost of shared manpower		
J K Talabot Limited	9.96	10.50
Ring Plus Aqua Limited.	9.21	-
Reimbursement of expenses		
Raymond Limited	724.15	623.88
Ring Plus Aqua Limited.	3.35	1.43
Reimbursement of expenses(IPO)		
Raymond Limited	802.56	-
Loans given :		
Inter Corporate loan Given		
Raymond Apparel Limited.	1,100.00	900.00
Raymond Luxury Cotton Limited.	-	2,000.00
Inter Corporate loan repayment received		
Raymond Apparel Limited.	2,000.00	-
Raymond Luxury Cotton Limited.	2,000.00	-
Redemption of instruments entirely in the nature of Equity		
Raymond Limited	2200.00	-
Dividend paid		
Raymond Limited	2097.76	-

The amount in respect of gratuity and compensated absences is not disclosed as the same is not determinable for the key managerial person separately.

Outstandings :	As at 31st March, 2022	As at 31st March, 2021
Trade Payable		
Raymond Limited	24.89	66.91
J K Talabot Limited	560.50	561.60
Raymond (Europe) Limited	16.15	16.15
Trade Receivable		
P T Jaykay International Indonesia*	240.88	303.97
Ring Plus Aqua Limited.	0.67	0.82
P T Jaykay Files Indonesia*		
Raymond Limited		
Loans(Current)#		
Raymond Apparel Limited.	-	900.00
Raymond Luxury Cotton Limited.	-	2,000.00
Other Financial Assets (Current)		
Ring Plus Aqua Limited.	0.41	0.29
P T Jaykay Files Indonesia	83.72	83.72
Raymond Limited	802.56	-
Raymond Apparel Limited.	-	0.21
Raymond Luxury Cotton Limited.	-	37.86

* The total receivable from PT JayKay Files and PT JayKay International, Indonesia has been provided.

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade Receivables		
P T Jaykay International Indonesia	240.88	303.97
Other Financial Assets		
P T Jaykay Files Indonesia	83.72	83.72

Inter Company loan receivable were provided to group companies to meet their working capital requirements.
Transactions were done in ordinary course of business and on normal terms and conditions.

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March, 2022
(All amounts are in Rs.lakhs, unless stated otherwise)

Note 42 :- Disclosures in relation to corporate social responsibility expenditure

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Contribution to cattle Breed Improvement project	-	29.64
Contribution to Consturction of new RCC structure for residential program for special needs children	-	4.16
Contribution to Hospitlization and medical reimbursement for COVID treatment	-	1.20
Contribution to purchase COVID-19 vaccines	27.00	-
Contribution to purchase computers for child education	6.50	-
Contribution to maternity & child health centre	16.50	-
Accrual towards unspent obligations in relation to:		
Ongoing project	-	-
Other than ongoing projects	50.00	35.00
Total	**50.00**	**35.00**
Amount required to be spent as per Section 135 of the Act	**50.00**	**35.00**
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	4.16
(ii) On purposes other than (i) above	50.00	30.84

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance unspent as at 1st April 2021	Balance unspent as at beginning of the year	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at end of the year
For the year ended 31st March, 2022	-	-	50.00	50.00	-
For the year ended 31st March, 2021	-	-	35.00	35.00	-

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 43: Segment Information

In accordance with Accounting Standard Ind AS 108 'Operating Segment', segment information has been given in the consolidated financial statements of JK Files & Engineering Limited, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 44: Analytical Ratios

Sr No.	Ratio	Numerator	Denominator	March 2022	March 2021	Variance
(a)	Current Ratio	Current Assets	Current Liabilities	1.48	1.25	18.59%
(b)	Debt-Equity Ratio	Total Debt	Shareholders' Equity	0.19	0.34	-44.79%
(c)	Debt Service Coverage Ratio	Earning for Debt Service	Debt Service	16.19	8.31	94.82%
(d)	Return on Equity Ratio	Net Profits after taxes- Preference Dividend	Average shareholder's Equity	0.55	0.33	65.96%
(e)	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	3.82	3.07	24.62%
(f)	Trade Receivable Turnover Ratio	Net Sales excluding export incentive	Average Trade Receivable	18.65	9.26	101.47%
(g)	Trade Payable Ratio	Net Purchases	Average Trade Payables	9.75	5.75	69.38%
(h)	Net Capital turnover Ratio	Net sales	Average Working Capital	10.03	11.38	-11.86%
(i)	Net Profit Ratio	Net Profit	Net sales	0.12	0.07	65.96%
(j)	Return on Capital Employed	Earning before interest and taxes	Capital Employed	0.53	0.32	64.52%
(k)	Return on investment	Earning before interest and taxes	Closing total assets	0.32	0.16	97.72%

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 44: Analytical Ratios

Reasons for variance of more than 25% in above ratios :

Sr No.	Ratio	Reasons for the Variances
(a)	Debt-Equity Ratio	This ratio has improved due to repayment of short term debt & increase in internal accruals due to better market demand in Domestic & Export market resulting in increase in profit for the current year.
(b)	Debt Service Coverage Ratio	This ratio has improved due to reduction of the debt & increase in internal accruals due to better market demand in domestic & export market resulting in increase in profit for the current year.
(c)	Return on Equity Ratio	This ratio has improved due better market demand in domestic & export market resulting in increase in profit for the current year.
(d)	Inventory Turnover Ratio	This ratio has increased due to more inventory produced to cater the market demand & better scales of operation over previous year.
(e)	Trade Receivable Turnover Ratio	This ratio has increased due to increase in sales and reduction in average receivables due to reduced credit period majorly in domestic market.
(f)	Trade Payable Ratio	This ratio has increased mainly due to increase in purchases, and decrease in trade payables due to generation of higher operating cash flows as a result of increase in revenue from operations.
(g)	Net Profit Ratio	This ratio has improved due to better demand in domestic & export market leading to higher revenue & profits.
(h)	Return on Capital Employed	This ratio has improved due to better demand in domestic & export market leading to higher revenue & better management of capital employed.
(i)	Return on investment	This ratio has improved due to better demand in domestic & export market leading to higher revenue & better management of total assets employed.

Note 45: Name change

The Board of Directors of the parent Company in their meeting held on September 27, 2021 has approved the change in the name of the parent Company from JK Files (India) Limited to JK Files & Engineering Limited as approved by Ministry of Company Affairs, effective from 10th November, 2021.

Note 46: Sub-division of equity shares

The Board of Directors of the Company in its meeting held on September 27, 2021 have approved sub-division of existing authorised share capital of the Company from Rs. 1,700 lakhs consisting of 17,000,000 equity shares of face value of INR 10 each to 85,000,000 equity shares of face value of INR 2 each and sub-division of existing issued, subscribed and paid up equity share capital of the Company from Rs. 874.07 lakhs consisting of 8,740,658 equity shares of face value of Rs. 10 each to 43,703,290 equity shares of face value of Rs. 2 each. This has been approved by the shareholders in their extra-ordinary general meeting held on October 28, 2021.

Note 47: Bonus issue of equity shares

The Board of Directors of the Company in its meeting held on September 27, 2021 have approved issuance of bonus shares in the ratio of 1:5 to existing equity shareholders by capitalising a sum of Rs. 174.81 lakhs out of the reserves of the Company, pursuant to which issued, subscribed and paid-up equity share capital of the Company stands increased from Rs. 874.07 lakhs consisting of 43,703,290 equity shares of face value of INR 2 each to Rs. 1,048.88 lakhs consisting of 52,443,948 equity shares of face value of INR 2 each. This has been approved by the shareholders in their extra-ordinary general meeting held on October 28, 2021.

Note 48: Acquisition of subsidiaries

On October 31, 2021, Raymond Limited, the holding Company of JK Files & Engineering Limited (Formerly known as JK Files (India) Limited) transferred by way of delivery, 100% equity share capital of Scissors Engineering Products Limited ('SEPL') to JK Files & Engineering Limited at Nil consideration. Accordingly, effective October 31, 2021, SEPL has become a wholly owned subsidiary of JK Files & Engineering Limited.

The aforesaid transaction has been accounted at predecessor's cost i.e. investment cost of Raymond Limited in SEPL as per the accounting policy choice taken by the Company by applying the Ind AS 8- 'Accounting Policies, Change in Accounting Estimates and Errors' with a corresponding credit to the other equity as capital contribution by parent (capital reserve).

Subsequently, SEPL transferred by way of delivery, 89.07% of equity share capital of Ring Plus Aqua Limited (‘RPAL’), the then subsidiary of SEPL, at Nil consideration to JK Files & Engineering Limited. Accordingly, effective November 11, 2021, RPAL has become a direct subsidiary of JK Files & Engineering Limited.

The aforesaid transaction has been accounted by reallocation of investment cost referred above in SEPL to investment in RPAL on the basis of relative values of SEPL and RPAL considering aforesaid transaction being return of SEPL’s capital to the Company.

Note 49: Additional regulatory information required by Schedule III

(i) Details of benami property held
No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Valuation of Property Plant & Equipment, intangible asset and investment property
The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(iii) Wilful defaulter
None of the entities in the Company have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies
The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies
The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium
The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
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

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
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

(viii) Undisclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

Note 50: COVID-19 Assessment

The Company is in the business of manufactures steel files and cutting tools and markets hand tools and power tools and related component and, a key supplier in tools and hardware supply chain market. The Company's strong contingency plans are in place to secure operations and supply chain so that business operations continues.

The Company has made detailed assessments of the carrying values of all its assets as at balance sheet date and also assessed its liquidity position for the next year, and on the basis of evaluation, has concluded that it has no significant impact on its standalone financial statements. The Company is of the view that considering the nature of its business operations, existing customer and supplier relationships and its market position, impact on its business operations, if any, arising from COVID -19 pandemic is not expected to be significant. However, the Company will continue to monitor any material changes to future economic conditions.

Note 51: The Company is in process of listing its equity shares through an offer for sale,whereby Company has filed the Draft Red Herring Prospectus ('DRHP') on December 9, 2021 which was approved by the Securities and Exchange Board of India ('SEBI') on February 23, 2022.

As per our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration N0. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
14th May, 2022

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
14th May, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of JK Files & Engineering Limited
[Formerly known as JK Files (India) Limited]

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of JK Files & Engineering Limited [formerly known as JK Files (India) Limited) (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") (refer Note 43 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2022, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income) , the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2022, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

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

Other Information

4. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director report but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

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

5. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

7. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

8. Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

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

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

10. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

11. 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.

Report on Other Legal and Regulatory Requirements

12. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included in the CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.

13. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group. (Refer Note 35 to the consolidated financial statements.)

ii. The Group have long-term contracts including derivative contracts as at March 31, 2022 for which there were no material foreseeable losses.

iii. During the year ended March 31, 2022, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, 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 or any of such subsidiaries 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 by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 45 to the consolidated financial statements).

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 45 to the consolidated financial statements).

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us in respect of the holding company and subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, 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) contain any material misstatement.

v. The dividend declared and paid during the year by the Holding Company and its subsidiary companies, is in compliance with Section 123 of the Act.

14. The Group have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 22112433AIZHRW9793

Mumbai
May 14, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph [13(f)] of the Independent Auditor's Report of even date to the members of JK Files & Engineering Limited [formerly known as JK Files (India) Limited] on the consolidated financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of JK Files & Engineering Limited [formerly known as JK Files (India) Limited] (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to consolidated financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, 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 with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Annexure A to Independent Auditor's Report

Referred to in paragraph [13(f)] of the Independent Auditor's Report of even date to the members of JK Files & Engineering Limited [formerly known as JK Files (India) Limited] on the consolidated financial statements for the year ended March 31, 2022

Meaning of Internal Financial Controls with reference to consolidated financial statements

6. A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Opinion

8. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, 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 issued by the ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 22112433AIZHRW9793

Mumbai
May 14, 2022

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Consolidated Balance Sheet as at March 31, 2022
(All amounts are in Rs. Lakhs, unless stated otherwise)

		Note No.	As at March 31, 2022	As at March 31, 2021
I	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	2(a)	10,988.63	12,535.38
	(b) Right of use assets	2(b)	1,616.30	1,426.46
	(c) Capital work - in - progress	2(c)	880.13	67.51
	(d) Goodwill	3(a)	79.41	79.41
	(e) Other intangible assets	3(b)	0.90	8.37
	(f) Financial assets			
	(i) Investments	4	8.61	8.61
	(ii) Other financial assets	6	207.60	171.26
	(g) Deferred tax assets (net)	30(e)	51.61	215.51
	(h) Current tax assets (net) - non-current	30(b)	147.23	364.15
	(i) Other non-current assets	7	642.61	372.51
	Total non-current assets		**14,623.03**	**15,249.17**
	Current assets			
	(a) Inventories	8	14,088.81	13,546.48
	(b) Financial assets			
	(i) Investments	4	2,257.39	1,443.76
	(ii) Trade receivables	9	8,802.84	4,952.08
	(iii) Cash and cash equivalents	10(a)	807.88	659.23
	(iv) Bank balances other than (iii) above	10(b)	3.78	-
	(v) Loans	5	-	9,210.00
	(vi) Other financial assets	6	855.66	93.33
	(c) Current tax assets (net) -current	30(c)	118.10	-
	(d) Other current assets	11	2,154.20	3,047.68
			29,088.66	**32,952.56**
	(e) Assets held for sale	12	-	105.75
	Total current assets		**29,088.66**	**33,058.31**
	TOTAL ASSETS		**43,711.69**	**48,307.48**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	13	1,048.88	874.07
	(b) Instruments entirely in the nature of equity	13	-	2,200.00
	(c) Other equity	14	20,369.43	20,998.77
	Equity attributable to owners of the Company		**21,418.31**	**24,072.84**
	Non-controlling interests	14	1,473.91	1,963.83
	Total equity		**22,892.22**	**26,036.67**
	Liabilities			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	15	-	9.69
	(ii) Lease liabilities	2(b)	1,390.22	1,297.93
	(b) Deferred tax liabilities (net)	30(e)	385.78	336.70
	Total non-current liabilities		**1,776.00**	**1,644.32**
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	16	1,752.09	2,556.93
	(ii) Lease liabilities	2(b)	161.77	112.50
	(iii) Trade payables	17	10,421.05	10,624.19
	(iv) Other financial liabilities	18	2,963.02	2,625.71
	(b) Provisions	19	1,246.06	1,258.30
	(c) Current tax liabilities (net)	30(d)	387.51	159.78
	(d) Other current liabilities	20	2,111.97	3,289.08
	Total current liabilities		**19,043.47**	**20,626.49**
	Total liabilities		**20,819.47**	**22,270.81**
	TOTAL EQUITY AND LIABILITIES		**43,711.69**	**48,307.48**

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

This is consolidated balance sheet referred to in our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

For and on behalf of Board of Directors

Arunkumar Ramdas
Partner
Membership No.: 112433

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 14, 2022

Mumbai
May 14, 2022

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Consolidated Statement of Profit and Loss for the year ended March 31, 2022
(All amounts are in Rs. Lakhs, unless stated otherwise)

		Note No.	Year ended March 31, 2022	Year ended March 31, 2021
I	**Revenue from operations**	21	81,201.40	54,151.12
II	**Other income**	22	1,646.48	1,329.94
III	**Total income (I+II)**		**82,847.88**	**55,481.06**
IV	**Expenses**			
	Cost of raw materials consumed	23	26,020.35	16,501.92
	Purchases of stock-in-trade	24	5,172.04	4,253.89
	Changes in inventories of work-in progress, finished goods and stock-in-trade	25	(102.28)	(3,280.57)
	Employee benefits expense	26	10,364.05	8,582.57
	Finance costs	27	391.06	457.80
	Depreciation and amortization expense	28	1,993.17	2,057.84
	Net impairment losses (including reversals) on financial assets	38	(69.96)	(159.79)
	Other expenses	29	28,623.31	20,776.90
	Total expenses (IV)		**72,391.74**	**49,190.56**
V	**Profit before exceptional items and tax (III-IV)**		**10,456.14**	**6,290.50**
VI	**Exceptional Items**	12	1,186.83	-
VII	**Profit before tax (V+VI)**		**11,642.97**	**6,290.50**
VIII	**Tax expense**	30(a)		
	Current tax		2,922.12	1,555.68
	Deferred tax		212.98	(68.34)
	Tax charge in respect of earlier years		(15.89)	(3.99)
	Total tax expenses (VIII)		**3,119.21**	**1,483.35**
IX	**Profit for the year (VII- VIII)**		**8,523.76**	**4,807.15**
X	**Other comprehensive income / (loss)**			
	Items that will not be reclassified to profit or loss			
	- Remeasurements of defined benefit plans	31	(101.26)	(277.34)
	- Income tax relating to items that will not be reclassified to profit/loss		19.64	65.06
	Other comprehensive income / (loss) for the year, net of tax		**(81.62)**	**(212.28)**
XI	**Total comprehensive income for the year (IX+X)**		**8,442.14**	**4,594.87**
	Total comprehensive income for the year (comprising profit and other comprehensive income for the year) attributable to:			
	Owners of the parent		8,003.54	4,346.33
	Non-controlling interests		438.60	248.54
			8,442.14	**4,594.87**
	Of the total comprehensive income above, profit attributable to:			
	Owners of the parent		8,091.68	4,550.19
	Non-controlling interests		432.08	256.96
			8,523.76	**4,807.15**
	Of the total comprehensive income above, other comprehensive income / (loss) attributable to:			
	Owners of the parent		(88.14)	(203.86)
	Non-controlling interests		6.52	(8.42)
			(81.62)	**(212.28)**
XII	**Earnings per equity share (face value of Rs. 2 each) attributable to owners of parent**	33		
	Basic earnings per share (in Rs.)		15.43	8.68
	Diluted earnings per share (in Rs.)		14.15	7.39

The above consolidated statement of profit and loss should be read in conjunction with the accompanying notes.

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

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
May 14, 2022

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 14, 2022

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955

Consolidated Statement of Cash Flows for the year ended March 31, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

		Year ended March 31, 2022		Year ended March 31, 2021	
A.	**Cash flow from operating activities**				
	Profit before tax		10,456.14		6,290.50
	Adjustment for :				
	Depreciation and amortisation expenses	1,993.17		2,057.84	
	Net (gain) / loss on disposal/discard of property, plant and equipment	(444.08)		7.17	
	Interest income	(402.22)		(519.44)	
	Dividend Income	0.04		-	
	Finance costs	391.06		457.80	
	Employee Stock Option Plan Expenses	44.98		57.21	
	Unrealised gain loss on foreign exchange fluctuations	(86.44)		(63.74)	
	Net gain loss on sale / fair valuation of investments	(78.99)		(78.10)	
	Gain on termination of lease	(104.73)		-	
	Net impairment losses (including reversals) on financial assets	(69.96)		(159.79)	
			1,242.83		1,758.95
	Operating profit before changes in operating assets and liabilities		11,698.97		8,049.45
	Changes in operating assets and liabilities				
	(Increase) in inventory	(542.33)		(4,152.48)	
	Decrease/(Increase) in trade receivables	(3,717.66)		4,436.89	
	Decrease/(Increase) in other financial assets	(774.79)		150.60	
	Decrease/(Increase) in other assets	902.27		(412.49)	
	Increase/ (Decrease) in trade payables	(204.42)		980.83	
	Increase in trade financial liabilities	314.18		274.34	
	Increase in trade liabilities	147.87		774.79	
	Increase/ (Decrease) in provisions	(113.50)		187.50	
			(3,988.38)		2,239.98
			7,710.59		10,289.43
	Less: Income taxes paid (Net)		(2,558.32)		(959.01)
	Net cash flows generated from operating activities		**5,152.27**		**9,330.42**
B.	**Cash flows from Investing Activities**				
	Proceeds from repayment of inter corporate deposit by related parties		10,310.00		1,500.00
	Proceeds from sale of property, plant & equipment		889.68		146.32
	Purchase of current investments (net)		(734.64)		-
	Proceeds from sale of current investments (net)		-		366.27
	Investment in time deposits		(56.13)		-
	Proceeds from time deposits		-		8.90
	Interest received		455.17		429.26
	Dividend Income		0.04		-
	Purchase of property, plant & equipment (including capital work-in-progress and capital advances)		(1,835.23)		(520.17)
	Inter Corporate Deposit placed with group companies		(1,100.00)		(7,910.00)
	Cash and cash equivalents taken over pursuant to common control business combinations (Note 49)		-		405.04
	Net cash flows generated from / (used in) investing activities		**7,928.85**		**(5,574.38)**
C.	**Cash flows from Financing Activities**				
	Redemption of Preference Shares		(2,200.00)		-
	Dividend Paid		(9,428.13)		-
	Repayment of long term borrowings		(9.69)		(25.84)
	Repayment of Short term borrowings (net)		(804.84)		(2,542.76)
	Principal element of lease payments		(112.38)		(88.87)
	Interest on lease liabilities		(167.88)		(160.18)
	Interest paid - others		(209.55)		(286.76)
	Net cash flows used in financing activities		**(12,932.47)**		**(3,104.41)**
	Net Increase in Cash and Cash Equivalents (A+B+C)		148.65		651.63
	Cash and Cash Equivalents at the beginning of the year		659.23		7.60
	Cash and Cash Equivalents as at the end of the year (Refer note 10(a))		**807.88**		**659.23**

Non-cash financing and investing activities

		Year ended March 31, 2022	Year ended March 31, 2021
	Acquisition of right-of-use assets	724.15	-
	Issue of Bonus Shares	174.81	-

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

This is consolidated cash flow statement referred to in our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

For and on behalf of the Board of Directors

Arunkumar Ramdas
Partner
Membership No.: 112433

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 14, 2022

Mumbai
May 14, 2022

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Consolidated Statement of Changes in Equity for the year ended March 31, 2022
(All amounts are in Rs. Lakhs, unless stated otherwise)

A. Equity Share Capital and Instruments entirely equity in nature

	Note No.	Equity Share Capital	Instruments entirely in the nature of equity
As at April 01, 2020	13	**874.07**	**2,200.00**
Change during the year		-	-
As at March 31, 2021	13	**874.07**	**2,200.00**
Change during the year		174.81	(2,200.00)
As at March 31, 2022	13	**1,048.88**	**-**

B. Other Equity

	Reserves and surplus					Total Other Equity attributable to owners of parent	Non-controlling interests	Total
	Securities Premium	Capital Reserve	Employee Stock Options Reserve	Capital Redemption Reserve	Retained Earnings			
Balance as at April 01, 2020	**314.50**	**-**	**-**	**-**	**4,494.80**	**4,809.30**	**262.78**	**5,072.08**
Adjustment pursuant to common control business combinations (Refer Note 49)	**-**	**21.81**	**53.44**	**-**	**8,878.83**	**8,954.08**	**1,446.26**	**10,400.34**
Profit for the year	-	-	-	-	4,550.19	4,550.19	256.96	4,807.15
Other comprehensive income / (loss) for the year	-	-	-	-	(203.86)	(203.86)	(8.42)	(212.28)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**4,346.33**	**4,346.33**	**248.54**	**4,594.87**
Capital Reserve on common control business combination (Refer Note 49)	-	2,838.10	-	-	-	2,838.10	-	2,838.10
Employee Stock Option Plan Expenses	-	-	50.96	-	-	50.96	6.25	**57.21**
Balance as at March 31, 2021	**314.50**	**2,859.91**	**104.40**	**-**	**17,719.96**	**20,998.77**	**1,963.83**	**22,962.60**
Profit for the year	-	-	-	-	8,091.68	8,091.68	432.08	8,523.76
Other comprehensive income / (loss) for the year	-	-	-	-	(88.14)	(88.14)	6.52	(81.62)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**8,003.54**	**8,003.54**	**438.60**	**8,442.14**
Employee Stock Option Plan Expenses	-	-	40.06	-	-	40.06	4.92	44.98
Issue of Bonus Shares	(174.81)	-	-	-	-	(174.81)	-	(174.81)
Dividends	-	-	-	-	(8,498.13)	(8,498.13)	(933.44)	(9,431.57)
Transfer (to) / from capital redemption reserve	-	-	-	2,200.00	(2,200.00)	-	-	-
Balance as at March 31, 2022	**139.69**	**2,859.91**	**144.46**	**2,200.00**	**15,025.37**	**20,369.43**	**1,473.91**	**21,843.34**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

This is the consolidated Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
May 14, 2022

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 14, 2022

1 A. Corporate Information

JK Files & Engineering Limited (formerly known as JK Files (India) Limited) ("the Company") is a public company limited by shares and domiciled in India. The Company and its subsidiaries (together referred to as "the Group") deals in tools and hardware and auto component. The Group have manufacturing facilities at Chiplun, Ratnagiri, Pithampur, Nasik and Vapi. The Registered office of the Company is situated at New Hind House, Narottam Morarjee Marg, Ballard Estate, Mumbai - 400 001.

This Consolidated Financial Statements were authorised for issues in accordance with a resolution of the Board of Directors on May 14, 2022.

1 B. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of the Consolidated Financial Statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(a) Basis of Preparation

(i) The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'IndAS' as notified under pursuant to section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting standards) Rules, 2015], and other relevant provisions of the Act.
The accounting policies are applied consistently to all the periods presented in the financial statement.

(ii) Historical cost convention
The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities (including derivative instruments) are measured at fair value;
2) assets held for sale – measured at lower of book value or fair value less cost to sell; and
3) defined benefit plans – plan assets measured at fair value.

(iii) New and amended standards adopted by the Group
The Group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2021:
• Extension of COVID-19 related concessions – amendments to Ind AS 116
• Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.
The amendments listed above did not have any impact on the amounts recognised in current or prior period and are not expected to significantly affect the future periods.

(iv) New amendments issued but not effective
The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

(v) Reclassifications consequent to amendments to Schedule III
Refer Note 52

(vi) Current / non-current classification
All assets and liabilities have been classified as current or non-current as per the normal operating cycle (twelve months) and other criteria set out in the Schedule III (Division II) to the Act.

(vii) Rounding of amounts
All the amounts included in the Consolidated Financial Statements are presented in Indian Rupees ('Rupees' or 'Rs.' or 'INR') and are rounded to the nearest lakhs with two decimal places, unless otherwise stated.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the Consolidated Financial Statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.
The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Principles of Consolidation

Subsidiaries:
Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combination by the Group. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are the same as those adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet respectively.

(d) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group 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. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

Depreciation methods, estimated useful lives and residual value

Depreciation on Property Plant and Equipment is provided on a straight line method except in case of some assets which are provided on a written down value method, net of their residual values, over the estimated useful lives of assets. Leasehold improvements are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The Group depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and Group believe that useful lives of assets are same as those prescribed in Schedule II of the Act, except for plant and machinery and certain vehicles, the useful life for which based on an independent technical evaluation and has been estimated as 24 years from the date of acquisition (on a single shift basis) and 5 years respectively, which is different from that prescribed in Schedule II of the Act.

The estimated useful lives of the property, plant and equipment are:

Class of Asset	Useful life
Buildings	60 years
Plant and machinery	24 years
Furniture and fixtures	10 years
Vehicles	5 - 8 years
Office equipment	5 years
Computers	3 years

The residual values are not more than 5% of the original cost of the asset. The residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(e) Intangible assets

Goodwill generated as part of business combination is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

Computer software
Computer softwares are stated at cost, less accumulated amortisation and impairments, if any.

Trademarks
Trademarks acquired separately are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Amortisation method
The Group amortizes intangible assets with a finite useful life using the straight-line method over following period:

Class of assets	Useful life
- Computer Software	: 3 years
- Trademark	: 10 years

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

(f) Leases

As a lessee

Leases are recognised as a right-of-use asset ("ROU") and a corresponding lease liability at the date at which leased asset is available for use by the Group for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term leases and leases of low value assets, the Group recognises the lease payments as an expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and restoration costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments which includes principal and finance cost component. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

To determine the incremental borrowing rate, the Group where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or 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.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss.

(g) Cash and Cash Equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and certain cash credit facilities that form an integral part of the Group's cash management.

(h) Inventories

Inventories of raw materials, stock in trade, stores and spares, work-in-progress, and finished goods are stated at cost or net realisable value, whichever is lower'. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. 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. Cost formula used is 'Weighted Average cost'. Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc. Net realisable 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.

(i) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(k) Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

* those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss,) and

* those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition

Financial assets are initially recognised when the Group becomes party to the contractual provisions of the instrument.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the profit or loss are expensed in profit or loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group measures its debt instruments in following categories:

▪ Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included within other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / other expenses. Impairment losses are presented as separate line item in the statement of profit and loss.

▪ Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net with other income / other expenses in the period in which it arises.

(iv) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Note 38 details how the Group determines whether there has been a significant increase in credit risk.

(v) Derecognition of financial assets

A financial asset is derecognised only when:

• the Group has transferred the rights to receive cash flows from the financial asset or

• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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

(vi) Income recognition
Interest income

Interest income from debt instruments is recognised using the effective interest rate method to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends
Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

(l) Contributed Equity

Equity shares are classified as equity. Convertible instruments such as preference shares that will be or are expected to be settled in the Company's own equity instruments are classified as equity if they are expected to be settled into a fixed number of equity shares.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(m) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(n) Derivative financial instruments

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

(o) 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 recognised amounts and there is an intention to settle on a net basis or realise 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 Group or the counterparty.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income / other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(q) Borrowing costs

Interest and other borrowing costs attributable to the acquisition, construction or production of a qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other interest and borrowing costs are charged to profit or loss.

(r) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense in profit or loss.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in the Consolidated Financial Statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the Consolidated Financial Statements unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

(s) Revenue from contracts with customers

(i) Sale of Goods

Sales are recognised when the control of the goods has been transferred to customer which is generally on delivery of goods and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, risk of obsolescence and loss have been transferred to the customer and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for the acceptance have been satisfied.

The goods are sold with retrospective volume discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that is highly probable that a significant reversal will not occur. A refund liability (included in other current liabilities) is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No significant element of financing is deemed present as the sales are made with a normal credit period, which is consistent with market practice.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) Sales of Services

Revenue from sale of services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided.

Cash received before the goods and services are delivered is recognised as a contract liability.

(iii) Financing Components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(t) Employee benefits

(i) Short-term Employee Benefits:
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised 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.

(ii) Defined Contribution Plans
The Group pays provident fund contributions etc. to publicly administered provident and other funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are incurred.

(iii) Post-employment obligations
Defined Benefit Plans
The liability or asset recognised at each the balance sheet date in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by actuary 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 employee benefit expense in the Consolidated Statement of Profit or Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised 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 as calculated by actuary are recognised immediately in profit or loss as past service cost.

(iv) Other long-term employee benefit obligations
The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(v) Termination benefits
Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b)when the Group recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(u) Foreign currency translation

(i) Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in Indian rupee (INR), which is JK Files & Engineering Limited's functional and presentation currency.

(ii) Transactions and balances
Transactions in foreign currencies are recognised at the prevailing exchange rates on the respective transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in profit or loss.
Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in profit or loss.

(v) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the jurisdiction where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the Consolidated Financial Statements. However, deferred tax liabilities are not accounted if they arise from initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defer income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiary, where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set 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.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(w) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(x) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director.

The board of directors of Company has appointed a Managing Director who assesses the financial performance and position of the Group, and makes strategic decisions.

(y) Impairment of non-financial assets:

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(z) Non- current assets (or disposal groups) held for sale :

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (or disposal groups) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

(aa) Exceptional Item:

Exceptional item is an item of income or expense within the Statement of Profit and Loss, which is of such size, nature and incidence that its disclosure is relevant to explain the performance of the Group for the period. The nature and amount of such item is disclosed separately in the Statement of Profit and Loss.

(ab) Government Grants:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

(ac) Business Combinations:

The acquisition method of accounting is used to account for all business combinations (other than common control business combinations), regardless of whether equity instruments or other assets are acquired. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.
Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholder's equity.

(ad) Share Based Payments:

Share-based compensation benefits are provided to employees via the Ring Plus Aqua Limited-Employee Stock Option Scheme 2019 (RPAL ESOP 2019).
The fair value of options granted under the RPAL ESOP 2019 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:
The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

1 C. Critical estimates and judgements

The preparation of Consolidated Financial Statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Consolidated Financial Statements.

The areas involving critical estimates are:

- Estimation of Defined benefit obligation - Measurement of defined benefit obligation and related plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality. (Refer Note 31)
- Inventory write down - Inventory write downs are assessed based on slow-moving, non-moving and defective inventories considering various factors such as likely usage, obsolescence etc. (Refer Note 8)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 2(a): Property, Plant and Equipment

	Buildings	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying amount							
As at April 01, 2020	**1,919.74**	**6,789.83**	**127.49**	**27.37**	**54.91**	**164.00**	**9,083.34**
Adjustment pursuant to common control business combinations (Refer Note 49)	2,091.65	8,659.02	69.64	1,066.64	260.15	121.44	12,268.54
Additions	1.63	257.15	1.39	185.03	12.59	17.13	474.92
Disposals / Adjustments	-	111.29	-	88.87	6.89	-	207.05
As at March 31, 2021	**4,013.02**	**15,594.71**	**198.52**	**1,190.17**	**320.76**	**302.57**	**21,619.75**
Additions	81.84	538.78	7.47	44.20	27.80	61.75	761.84
Disposals / Adjustments	3.01	121.50	65.64	1,153.25	6.53	0.64	1,350.57
As at March 31, 2022	**4,091.85**	**16,011.99**	**140.35**	**81.12**	**342.03**	**363.68**	**21,031.02**
Accumulated depreciation							
As at April 01, 2020	**398.13**	**3,171.62**	**92.19**	**21.53**	**34.17**	**132.49**	**3,850.13**
Adjustment pursuant to common control business combinations (Refer Note 49)	158.56	2,656.80	40.68	381.25	80.18	66.13	3,383.60
Charge for the year	155.49	1,469.66	15.70	190.57	45.54	30.22	1,907.18
Disposals / Adjustments	-	33.24	-	17.70	5.60	-	56.54
As at March 31, 2021	**712.18**	**7,264.84**	**148.57**	**575.65**	**154.29**	**228.84**	**9,084.37**
Charge for the year	155.98	1,357.95	9.72	210.26	46.21	36.73	1,816.85
Disposals / Adjustments	2.74	81.09	57.01	712.19	5.34	0.46	858.83
As at March 31, 2022	**865.42**	**8,541.70**	**101.28**	**73.72**	**195.16**	**265.11**	**10,042.39**
Net carrying amount							
As at March 31, 2021	**3,300.84**	**8,329.87**	**49.95**	**614.52**	**166.47**	**73.73**	**12,535.38**
As at March 31, 2022	**3,226.43**	**7,470.29**	**39.07**	**7.40**	**146.87**	**98.57**	**10,988.63**

Notes:
(i) Refer note 34 for information on property, plant and equipment pledged as security by the Group.
(ii) Refer note 36 for disclosure of contractual commitments for acquisition of property, plant and equipment .

Note 2(b): Leases

This note provides information for leases where the Group is a lessee. The Group has leasehold land ranging from 95 to 99 years. The Group has also leased offices, factories and warehouses for which lease terms range from 11 months to 5 years.

(i) Amounts recognised in Consolidated Balance Sheet

Set out below are the carrying amounts of right of use assets recognised and movements during the year:

Particulars	Leasehold Land	Buildings	Total right of use assets
I. Gross carrying amount			
As at April 01, 2020	**411.44**	**1,370.19**	**1,781.63**
Adjustment pursuant to common control business combinations (Refer Note 49)	**87.52**	**-**	**87.52**
Additions	-	-	-
Disposals / Adjustments	-	-	-
As at March 31, 2021	**498.96**	**1,370.19**	**1,869.15**
Additions	-	724.15	**724.15**
Disposals / Adjustments	-	578.65	**578.65**
As at March 31, 2022	**498.96**	**1,515.69**	**2,014.65**
II. Accumulated depreciation			
As at April 01, 2020	**12.84**	**285.66**	**298.50**
Adjustment pursuant to common control business combinations (Refer Note 49)	**0.98**	**-**	**0.98**
Charge for the year	7.41	135.80	143.21
Disposals / Adjustments	-	-	-
As at March 31, 2021	**21.23**	**421.46**	**442.69**
Charge for the year	7.41	161.44	**168.85**
Disposals / Adjustments	-	213.19	**213.19**
As at March 31, 2022	**28.64**	**369.71**	**398.35**
Net carrying value			
As at March 31, 2021	**477.73**	**948.73**	**1,426.46**
As at March 31, 2022	**470.32**	**1,145.98**	**1,616.30**

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liabilities		
Current	161.77	112.50
Non-current	1,390.22	1,297.93
Total	**1,551.99**	**1,410.43**

(ii) Amounts recognised in the Consolidated Statement of Profit and loss

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

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of right-of-use assets	28		
- Leasehold Land		7.41	7.41
- Buildings		161.44	135.80
Interest expense (included in finance costs)	27	167.88	160.18
Expense relating to short-term leases (included in other expenses)	29(b)	200.22	197.28

The total cash outflow for leases for the year ended March 31, 2022: Rs. 480.48 lakhs; and for the year ended March 31, 2021 was Rs. 446.33 lakhs (including short term lease payments).

(iii) Extension and termination options
Extension and termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

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Note 2(c): Capital work - in - progress (CWIP)

	CWIP
Balance as at April 01, 2020	**23.44**
Adjustment pursuant to common control business combinations (Refer Note 49)	**5.51**
Additions	297.31
Capitalization	258.75
Balance as at March 31, 2021	**67.51**
Additions	1,433.23
Capitalization	620.61
Balance as at March 31, 2022	**880.13**

Notes:
i) CWIP ageing schedule

Projects in progress

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022	877.33	2.80	-	-	880.13
As at March 31, 2021	67.40	0.11	-	-	67.51

ii) Actual cost of capital projects in progress has not exceeded the estimated cost and the actual timelines for completion of projects has not exceeded the estimated timelines in respect of the amounts reported above, as at the end of each reporting period. Accordingly, completion schedule is not presented.

iii) CWIP majorly comprises of machinery which are pending installation.

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Note 3(a): Goodwill

Goodwill was recognised on demerger of files and tools division of Raymond Limited into the Company in earlier years. The goodwill is allocated to the CGU - tools and hardware.
The carrying amount of goodwill is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Goodwill	79.41	79.41
Total	**79.41**	**79.41**

The Group has performed an impairment assessment for year ended March 31, 2022 and year ended March 31, 2021 considering profits earned by CGU being significantly higher than carrying amount of goodwill for all the years covered above, thus. no impairment on goodwill has been recognised.

Note 3(b): Other Intangible assets

	Computer Software	Brands and trademarks	Total
Gross carrying amount			
As at April 1, 2020	**41.48**	**1,125.00**	**1,166.48**
Adjustment pursuant to common control business combinations (Refer Note 49)	**90.12**	**-**	**90.12**
Additions	3.47	-	3.47
Disposals / Adjustments	-	-	-
As at March 31, 2021	**135.07**	**1,125.00**	**1,260.07**
Additions	-	-	-
Disposals / Adjustments	-	-	-
As at March 31, 2022	**135.07**	**1,125.00**	**1,260.07**
Accumulated amortisation			
As at April 01, 2020	**36.72**	**1,125.00**	**1,161.72**
Adjustment pursuant to common control business combinations (Refer Note 49)	**82.53**	**-**	**82.53**
Charge for the year	7.45	-	7.45
Disposals / Adjustments	-	-	-
Accumulated amortisation as at March 31, 2021	**126.70**	**1,125.00**	**1,251.70**
Charge for the year	7.47	-	7.47
Disposals / Adjustments	-	-	-
Accumulated amortisation as at March 31, 2022	**134.17**	**1,125.00**	**1,259.17**
Net carrying amount			
As at March 31, 2021	**8.37**	**-**	**8.37**
As at March 31, 2022	**0.90**	**-**	**0.90**

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Note 4: Investments

Non-current	**As at March 31, 2022**	**As at March 31, 2021**
Investments in equity instruments (Unquoted) - measured at fair value through profit and loss		
10,000 (March 31, 2021 : 10,000) shares of SICOM Limited (Equity Shares of Rs.10 each)	7.91	7.91
7,000 (March 31, 2021 : 7,000) shares of Saraswat Co-operative Bank Limited (Equity Shares of Rs.10 each)	0.70	0.70
421,000 (March 31, 2021 : 421,000) shares of Trinity Auto Component Limited (Equity Shares of Rs.10 each)	-	-
Total	**8.61**	**8.61**
Aggregate value of unquoted investment	8.61	8.61

	As at March 31, 2022	**As at March 31, 2021**
Current		
Investments in Mutual Fund		
Unquoted		
Nil (March 31, 2021 : 5,412.5550) Units of UTI Treasury Advantage Fund Growth Plan	-	143.17
Nil (March 31, 2021 : 54,300.35)UTI Money Market Fund - Institutional Plan - Direct Growth Plan	-	1,300.59
280,620.74 (March 31, 2021 : Nil) Units of Aditya Birla Sun Life Liquid Fund - Growth-Regular Plan	955.33	-
39,685.09 (March 31, 2021 : Nil) Units of Nippon India Ultra Short Duration Fund - Growth Plan	1,302.06	-
Total	**2,257.39**	**1,443.76**
Aggregate amount of unquoted investment	2,257.39	1,443.76

Note 5: Loans

	As at March 31, 2022	**As at March 31, 2021**
Current		
Loans to related parties (Refer Note 41 & Note (i) below)	-	9,210.00
	-	**9,210.00**

Note:-
(i) Disclosure as per section 186(4) of the Act

Particulars	**Rate of Interest**	**As at March 31, 2022**	**As at March 31, 2021**
Raymond Luxury Cotton Limited	9.00%	-	2,000.00
Raymond Apparel Limited	8.50%	-	6,200.00
Raymond UCO Denim Private Limited, India	8.50%	-	1,000.00
Ray Global Consumer Trading limited	8.50%	-	10.00
Total Loans to related parties		**-**	**9,210.00**

The Loan has been utilised by borrower for meeting their working capital requirement.

(ii) There are no loans or advances in the nature of loans outstanding as at March 31, 2022 and March 31, 2021, granted to promoters, directors, key managerial personnels and other related parties, which are repayable on demand or granted without specifying any terms or period of repayment.

(iii) Break-up of security details

	As at March 31, 2022	**As at March 31, 2021**
Considered good - Secured	-	-
Considered good - Unsecured	-	9,210.00
Loans which have significant increase in credit risk	-	-
Loans credit impaired	-	-
	-	
Total	**-**	**9,210.00**

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Note 6: Other financial assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
Non-current		
Security deposits	150.97	170.76
Margin money deposit with banks*	56.63	0.50
Total	**207.60**	**171.26**

*(i)Rs. 0.50 Lakhs (Previous year :- Rs 0.50 Lakhs) held as lien with Gujarat Irrigation Department .
(ii) Rs. 6.61 Lakhs (Previous year:- Rs. Nil) held with a Bank for Guarantee against Custom duty.
(iii)Rs 49.52 Lakhs (Previous year :- Rs. Nil) held with a Bank for letter of credit.

	As at March 31, 2022	As at March 31, 2021
Current		
Security deposits	0.25	0.25
Derivative financial instruments (Refer Note 38)	25.14	35.18
Receivable from related parties	83.72	83.72
Less: Allowance for doubtful receivable	(83.72)	(83.72)
Receivables towards IPO expense *	802.56	-
Interest accrued	3.95	57.90
Other receivables	23.76	-
Total	**855.66**	**93.33**

Represents Initial Public Offer(IPO) related expenses receivable from selling shareholder which shall be deducted from the amount received from the IPO ("Offer for Sale Proceeds"). Refer Note 41

Note 7: Other non-current assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
Capital advances	409.41	130.52
Less: Allowance for doubtful advances	(3.77)	(3.77)
Refund due from government authorities	247.40	264.39
Less: Allowance for doubtful refund	(128.39)	(128.39)
Deposits with government authorities	117.96	109.76
Total	**642.61**	**372.51**

Note 8: Inventories

	As at March 31, 2022	As at March 31, 2021
Raw materials	3,052.01	2,715.83
Raw material in transit	341.14	167.93
Work-in-progress	2,929.31	2,729.93
Finished goods	5,712.34	6,117.29
Stock-in-trade	1,216.14	900.78
Stock-in-trade in transit	142.33	149.84
Stores and spares	695.54	764.88
Total	**14,088.81**	**13,546.48**

Write-down of inventories are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value and in case of reversal of write-down are mainly on account of commodity price movement (steel) and changes in market demand pattern due to changes in market dynamics. Reversal of write-down of inventories amounted to Rs. 542.32 lakhs for the year ended March 31, 2022 (Write-down Rs. 155.27 lakhs for the year ended March 31, 2021). These write- downs or reversal thereof were recognised as expenses / reduction of expenses and included in 'Raw material consumed', 'changes in value of inventories of finished goods, stock- in -trade and work -in- progress' and 'consumption of stores and spares' in the Consolidated Statement of Profit and Loss.

Note 9: Trade receivables

	As at March 31, 2022	As at March 31, 2021
Trade Receivables from related parties (Refer note 41)	240.88	303.97
Trade Receivables from others customers	9,166.92	5,359.29
Less: Loss allowances	(604.96)	(711.18)
Total receivables	**8,802.84**	**4,952.08**

Break-up of security details

	As at March 31, 2022	As at March 31, 2021
Considered good, Secured	159.10	-
Considered good, Unsecured	9,248.70	5,663.26
Receivables which have significant increase in credit risk	-	-
Receivables credit impaired	-	-
Total	**9,407.80**	**5,663.26**
Less: Loss allowances	(604.96)	(711.18)
Total trade receivables	**8,802.84**	**4,952.08**

Note:
Trade Receivable (considered good) ageing schedule

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022							
(i) Undisputed Trade receivables	7,796.83	1,037.26	13.96	1.98	1.97	367.86	9,219.86
(ii) Disputed Trade Receivables	-	-	-	-	-	187.94	187.94
Total	**7,796.83**	**1,037.26**	**13.96**	**1.98**	**1.97**	**555.80**	**9,407.80**
As at March 31, 2021							
(i) Undisputed Trade receivables	4,539.62	406.13	0.36	4.60	5.76	512.37	5,468.84
(ii) Disputed Trade Receivables	-	-	-	-	-	194.42	194.42
Total	**4,539.62**	**406.13**	**0.36**	**4.60**	**5.76**	**706.79**	**5,663.26**

Note 10 (a): Cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- In current accounts	754.98	579.66
- In deposit accounts	50.00	75.00
Cash on hand	2.90	4.57
Total	**807.88**	**659.23**

Note 10 (b): Bank balances other than 10(a) above

	As at March 31, 2022	As at March 31, 2021
Unclaimed dividends - Earmarked balances with banks	3.44	-
Balance in dividend account	0.34	-
Total	**3.78**	**-**

Note 11: Other current assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
Export benefit receivables	622.14	774.37
GST receivable/refundable	826.43	1,544.99
Advances to suppliers	553.59	568.64
Prepaid expenses	127.50	122.17
Other receivables	24.54	37.51
Total	**2,154.20**	**3,047.68**

Note 12: Assets held for sale

	As at March 31, 2022	As at March 31, 2021
Land - Freehold	-	35.47
Building	-	70.28
Total	**-**	**105.75**

During financial year 2017-18, the Group closed its plant at Kolkata, pursuant to which, during FY 2018-19, the Company decided to sell its remaining assets (land and building of Kolkata plant) with a carrying value of Rs 105.75 Lakhs.
During the year, the Group has completed the government clearances process to execute the sale of Land and Building situated at Kolkata and Deed of Conveyance has been executed on 25th March, 2022.
The gain arising on such sale of assets have been shown under exceptional item in the Statement of Profit and Loss.

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 13: Equity Share capital and instrument entirely in the nature of equity

	As at March 31, 2022	As at March 31, 2021
Authorised		
85,000,000 Equity Shares of Rs. 2 each [March 31, 2021 : 17,000,000 Equity Shares of Rs. 10 each] #	1,700.00	1,700.00
2,200,000 [March 31, 2021 : 2,200,000] 9% Non-Cumulative Convertible Preference Shares of Rs.100 each*	2,200.00	2,200.00
Total	**3,900.00**	**3,900.00**
Issued, subscribed and fully paid up		
52,443,948 Equity Shares of Rs. 2 each [March 31, 2021 : 8,740,658 Equity Shares of Rs. 10 each] #	1,048.88	874.07
Nil [March 31, 2021: 2,200,000] 9% Non-Cumulative Convertible Preference Shares of Rs.100 each*	-	2,200.00
Total	**1,048.88**	**3,074.07**

a) **Reconciliation of number of shares outstanding**

	As at March 31, 2022		As at March 31, 2021	
	Number of shares	**Amount**	**Number of shares**	**Amount**
Equity Shares #				
Balance as at the beginning of the year	87,40,658	874.07	87,40,658	874.07
Add: Impact of sub-division of equity shares #	3,49,62,632	-	-	-
	4,37,03,290	874.07	87,40,658	874.07
Add: Bonus Shares issued during the year #	87,40,658	174.81	-	-
Balance as at the end of the year	**5,24,43,948**	**1,048.88**	**87,40,658**	**874.07**
Instruments entirely equity in nature				
9% Non-Cumulative Convertible Preference Shares ("Preference Shares" or "NCCPS") *				
Balance as at the beginning of the year	22,00,000	2,200.00	22,00,000	2,200.00
Less: Redeemed during the year	(22,00,000)	(2,200.00)	-	-
Balance as at the end of the year	**-**	**-**	**22,00,000**	**2,200.00**

b) **Right, preference and restrictions attached to shares:**

i) Equity shares: The Company has only one class of equity shares having par value of Rs. 2 per share. Each shareholder is entitled to one vote per share. In the event of liquidation of the Company the holder of equity shares will be entitled to receive any of the remaining assets of the Group after distribution of all preferential payments. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Preference shares: Pursuant to the approval of Board of Directors in their meeting held on September 27, 2021, the Company has exercised its option and redeemed NCCPS on October 06, 2021.

c) **Shares of the Company held by holding company**

	As at March 31, 2022	As at March 31, 2021
Equity Shares #		
Raymond Limited, India and its nominees	5,24,43,948	87,40,658
Preference Shares *		
Raymond Limited, India	-	22,00,000

d) **Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of Shareholders	As at March 31, 2022		As at March 31, 2021	
	Number of shares	**% of Holding**	**Number of shares**	**% of Holding**
Equity Shares #				
Raymond Limited, India and its nominees	5,24,43,948	100%	87,40,658	100%
Preference Shares *				
Raymond Limited, India	-	0%	22,00,000	100%

e) **During the five years immediately preceding the reporting date, no shares have been bought back nor had the Company issued any bonus shares or any shares for consideration other than cash, other than as disclosed in Note 48.**

f) **Terms of any securities convertible into equity - Refer Note 13b(ii)**

g) **Disclosure of Shareholding of Promoters**
Since all the shares of the Company are held by its promoter Raymond Limited and there being no changes in such shareholding as at the end of the each year referred in 13 d) above, hence no separate disclosure is required in respect of 'Disclosure of Shareholding of Promoters'.

* Refer Note 40 for Redemption of 9% Non-Cumulative Convertible Preference Shares ("9% NCCPS")

Refer Note 47 and Note 48 for sub-division of equity shares and issue of bonus shares respectively.

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 14: Other Equity

	Reserves and surplus					Total Other Equity attributable to owners of parent	Non-controlling interests	Total
	Securities Premium	Capital Reserve	Employee Stock Options Reserve	Capital Redemption Reserve	Retained Earnings			
Balance as at April 01, 2020	**314.50**	**-**	**-**	**-**	**4,494.80**	**4,809.30**	**262.78**	**5,072.08**
Adjustment pursuant to common control business combinations (Refer Note 49)	**-**	**21.81**	**53.44**	**-**	**8,878.83**	**8,954.08**	**1,446.26**	**10,400.34**
Profit for the year	-	-	-	-	4,550.19	4,550.19	256.96	4,807.15
Other comprehensive income / (loss) for the year	-	-	-	-	(203.86)	(203.86)	(8.42)	(212.28)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**4,346.33**	**4,346.33**	**248.54**	**4,594.87**
Capital Reserve on common control business combination (Refer Note 49)	-	2,838.10	-	-	-	2,838.10	-	2,838.10
Employee Stock Option Plan Expenses	-	-	50.96	-	-	50.96	**6.25**	**57.21**
Balance as at March 31, 2021	**314.50**	**2,859.91**	**104.40**	**-**	**17,719.96**	**20,998.77**	**1,963.83**	**22,962.60**
Profit for the year	-	-	-	-	8,091.68	8,091.68	432.08	8,523.76
Other comprehensive income / (loss) for the year	-	-	-	-	(88.14)	(88.14)	6.52	(81.62)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**8,003.54**	**8,003.54**	**438.60**	**8,442.14**
Employee Stock Option Plan Expenses	-	-	40.06	-	-	40.06	4.92	44.98
Issue of Bonus Shares	(174.81)	-	-	-	-	(174.81)	-	(174.81)
Dividends	-	-	-	-	(8,498.13)	(8,498.13)	(933.44)	(9,431.57)
Transfer (to) / from capital redemption reserve	-	-	-	2,200.00	(2,200.00)	-	-	-
Balance as at March 31, 2022	**139.69**	**2,859.91**	**144.46**	**2,200.00**	**15,025.37**	**20,369.43**	**1,473.91**	**21,843.34**

Securities Premium
Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Act.

Capital Reserve
Capital Reserve was created on account of merger of Trinity India Limited with Ring Plus Aqua Limited pursuant to the Scheme of Amalgamation in the financial year 2012-13.

Employee Stock Options Reserve
The Employee Stock Options Reserve is used to recognise the grant date fair value of options issued to employees under 'Ring Plus Aqua Limited - Employee stock option plan 2019' (Refer Note 50).

Capital Redemption Reserve
Capital Redemption Reserve is created on redemption of NCCPS and it is non-distributable reserve.

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 15: Non current borrowings

	As at March 31, 2022	As at March 31, 2021
Unsecured		
Interest free Deferred Sales tax payment liabilities	9.69	35.53
Less: Current maturity of long term borrowings (included in Note 16)	(9.69)	(25.84)
Total	**-**	**9.69**

The carrying amounts of financial and non-financial assets as security for secured borrowings are disclosed in Note 34 - Assets pledged as security.

In respect of borrowings made from Banks on the basis of security of current assets, quarterly returns or statements of current assets filed by the Company and its subsidiaries with banks are in agreement with the books of accounts in respect of all the years referred above and there are no material discrepancies found.

The above borrowings have been utilized by the Group for meeting requirement as per the terms of the loans and has not been further advanced or loaned by the Group to any other parties.

Note 16: Current borrowings

	Terms of repayment	Interest Rate	As at March 31, 2022	As at March 31, 2021
Loans repayable on demand				
Secured				
From banks				
- Cash credit	Repayable on demand	8.20% ~8.55%	279.90	381.10
- Packing credit	Repayable on demand	3.63% ~7.62%	1,311.26	1,652.22
- Working capital demand Loan	Repayable on demand	7.30%	-	500.00
- Buyers Credit Loan	Single repayment at the end of the term	0.80%	154.08	-
			-	
(The above borrowings are secured by way of first pari passu charge on all current assets of the respective companies to whom above facilities has been granted)				
Current maturities of long-term debt (Refer Note 15)			9.69	25.84
Total current borrowings			**1,754.93**	**2,559.16**
Less: Interest accrued but not due on borrowings (included in Note 18)			(2.84)	(2.23)
Total			**1,752.09**	**2,556.93**

The carrying amounts of financial and non-financial assets pledged as security for secured borrowings are disclosed in Note 34 - Assets pledged as security.

In respect of borrowings made from banks on the basis of security of current assets, quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts in respect of all the years referred above and there are no material discrepancies found.

The above borrowings have been utilized by the Group for meeting requirement as per the terms of the loans and has not been further advanced or loaned by the Group to any other parties.

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts are in Rs. Lakhs, unless stated otherwise)

Net debt reconciliation	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents	(807.88)	(659.23)
Current borrowings	1,752.09	2,556.93
Non current borrowings	-	9.69
Interest accrued but not due on borrowings	2.84	2.23
Lease liabilities	1,551.99	1,410.43
Net debt	**2,499.04**	**3,320.05**

	Other assets	Liabilities from financing activities			
	Cash and Cash equivalents	Lease liabilities	Non current borrowings (Including interest accrued)	Current borrowings (Including interest accrued)	Total
Net Debt as at April 01, 2020	**(7.60)**	**1,499.30**	**-**	**3,859.80**	**5,351.50**
Adjustment pursuant to common control business combinations (Refer Note 49)	(405.04)	-	35.53	1,242.97	873.46
Cash flows	(246.59)	(88.87)	(25.84)	(2,542.74)	(2,904.04)
Interest expense	-	160.18	9.61	238.26	408.05
Interest paid	-	(160.18)	(9.61)	(239.13)	(408.92)
Net Debt as at March 31, 2021	**(659.23)**	**1,410.43**	**9.69**	**2,559.16**	**3,320.05**
Cash flows	(148.65)	(112.38)	(9.69)	(804.84)	(1,075.56)
Non - Cash movement	-	253.94	-	-	253.94
Interest expense	-	167.88	-	151.86	319.74
Interest paid	-	(167.88)	-	(151.25)	(319.13)
Net Debt as at March 31, 2022	**(807.88)**	**1,551.99**	**-**	**1,754.93**	**2,499.04**

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 17: Trade payables

	As at March 31, 2022	As at March 31, 2021
Trade payables	10,421.05	10,624.19
Total	**10,421.05**	**10,624.19**

Note:

Trade Payable ageing schedule

Particulars	Unbilled dues	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
As at March 31, 2022	2,047.75	5,350.18	2,954.32	14.00	31.20	23.60	10,421.05
As at March 31, 2021	2,018.76	6,534.85	1,965.09	33.48	34.14	37.87	10,624.19

There are no disputed trade payables.

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 18: Other current financial liabilities

	As at March 31, 2022	As at March 31, 2021
Unclaimed dividends (Refer Note below)	3.44	-
Interest accrued but not due on borrowings	2.84	2.23
Capital creditors	58.32	40.22
Deposits from dealers, agents etc.	591.33	588.58
Employee benefits payable	2,118.24	1,926.27
Derivative financial instruments (Refer Note 38)	0.98	12.41
Payable to related parties (Refer Note 41)	58.32	-
Other payables	129.55	56.00
Total	**2,963.02**	**2,625.71**

Note:
There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

Note19: Provisions

	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits (Refer note 31)		
-Gratuity	666.56	713.75
-Compensated absences	579.50	544.55
Total	**1,246.06**	**1,258.30**

Note 20: Other current liabilities

	As at March 31, 2022	As at March 31, 2021
Contract liabilities *	1,426.02	1,264.31
Advance against assets held for sale (Refer note 12)	-	1,324.98
Statutory dues payable	352.52	241.28
Refund liabilities	86.38	74.87
Stamp duty payable	177.80	177.80
Other payables	69.25	205.84
Total	**2,111.97**	**3,289.08**

* Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year.

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 21: Revenue from operations

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from contract with customers		
Sale of Products - recognised at a point in time		
(i) Manufactured goods - Domestic	27,062.84	19,587.04
(ii) Manufactured goods - Export	43,450.61	26,602.60
(iii) Stock-in trade- Domestic	5,322.68	4,630.64
(iv) Stock-in trade- Export	735.13	700.72
Total (A)	**76,571.26**	**51,521.00**
Sale of Services - recognised over a period of time	688.12	78.60
Total (B)	**688.12**	**78.60**
Revenue from contracts with customers (A+B) (C)	**77,259.38**	**51,599.60**
Other operating revenue		
(i) Export Incentives	968.37	867.86
(ii) Process waste sale	2,870.31	1,586.13
(iii) Others	103.34	97.53
Total (D)	**3,942.02**	**2,551.52**
Total (C + D)	**81,201.40**	**54,151.12**

Notes:
(i) Disaggregation of revenue from contracts with customers:
The Group derives revenue from the transfer of goods and services in the following geographical regions:

	Year ended March 31, 2022	Year ended March 31, 2021
India	32,385.52	24,217.68
Africa	6,967.14	4,436.53
America	18,858.89	11,780.03
Asia (excluding India)	7,179.90	3,651.59
Europe	11,826.11	7,407.45
Australia	41.82	106.32
Total	**77,259.38**	**51,599.60**

The Group derives revenue from the transfer of following goods and services:

	Year ended March 31, 2022	Year ended March 31, 2021
Tools & Hardware		
Files	29,741.25	19,307.06
Drills	9,828.90	7,031.08
Hand tools and power tool accessories	4,714.01	4,245.25
Power tool machines	1,312.25	1,062.20
Others	2,303.10	1,691.54
	47,899.50	33,337.13
Auto Components and Engineering Products		
Ring Gears	20,952.56	13,018.82
Flexplates	2,278.57	1,636.63
Water Pump Bearings	5,246.10	3,440.41
Others	194.53	88.01
	28,671.76	18,183.87
Sale of Products (A)	**76,571.26**	**51,521.00**
Sale of Services (B)	688.12	**78.60**
Revenue from contracts with customers (A + B)	**77,259.38**	**51,599.60**

(ii) Unsatisfied performance obligations resulting from revenue from contracts with customers

	As at March 31, 2022	As at March 31, 2021
Aggregate amount of the transaction price allocated to sale contracts that are partially or fully unsatisfied	85.18	18.08
	85.18	**18.08**

(iii) Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year. (Refer Note 20)

(iv) Reconciliation of revenue recognised with contract price:

	Year ended March 31, 2022	Year ended March 31, 2021
Contract price	**79,268.74**	53,364.20
Adjustments for :		

Refund liabilities - discounts, rebates, sales related schemes, incentives etc.	(2,009.36)	(1,764.60)
Total	**77,259.38**	**51,599.60**

Note 22: Other income

	Year ended March 31, 2022	Year ended March 31, 2021
Interest income		
- on financial assets at amortised cost	399.77	457.00
- on income tax / sales tax refund	1.00	55.28
- others	1.45	7.16
Dividend Income	0.04	-
Net gain on foreign exchange fluctuations	190.55	212.69
Net gain on disposal/discard of property, plant and equipment	444.08	-
Net gain on sale / fair valuation of investments	78.99	78.10
Gain on termination of lease	104.74	-
Miscellaneous Income	425.86	519.71
Total	**1,646.48**	**1,329.94**

Note 23: Cost of raw materials consumed

	Year ended March 31, 2022	Year ended March 31, 2021
Raw material at the beginning of the year	2,883.76	1,318.92
Adjustment pursuant to common control business combinations (Refer Note 49)	-	809.70
Purchases	26,529.74	17,257.06
Less : Raw material at the end of the year	3,393.15	2,883.76
Total	**26,020.35**	**16,501.92**

Note 24: Purchases of Stock-in-Trade

	Year ended March 31, 2022	Year ended March 31, 2021
Purchases of stock-in-trade	5,172.04	4,253.89
Total	5,172.04	**4,253.89**

Note 25: Changes in inventories of work-in-progress , finished goods and stock-in-trade

	Year ended March 31, 2022	Year ended March 31, 2021
Opening inventories		
Work-in-progress	2,729.93	1,501.82
Finished goods	6,117.29	1,816.24
Stock-in-trade	1,050.62	1,017.27
	9,897.84	**4,335.33**
Adjustment pursuant to common control business combinations (Refer Note 49)		
Work-in-progress	-	336.75
Finished goods	-	1,945.19
	-	**2,281.94**
Closing inventories		
Work-in-progress	2,929.31	2,729.93
Finished goods	5,712.34	6,117.29
Stock-in-trade	1,358.47	1,050.62
	10,000.12	**9,897.84**
Total	**(102.28)**	**(3,280.57)**

Note 26: Employee benefits expense

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	9,001.74	7,536.55
Gratuity expense (Refer note 31)	229.98	179.65
Contribution to provident and other funds (Refer note 31)	580.96	475.45
Employee Stock Option Plan Expenses	44.98	57.21
Workmen and staff welfare expenses	506.39	333.71
Total	**10,364.05**	**8,582.57**

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 27: Finance costs

	Year ended March 31, 2022	Year ended March 31, 2021
Interest on term loan	-	9.61
Interest on lease liabilities	167.88	160.18
Interest expense on current borrowings	151.86	238.26
Interest on shortfall of advance tax	13.02	11.73
Interest expense - Others	58.30	35.44
Other borrowing costs	-	2.58
Total	**391.06**	**457.80**

Note 28: Depreciation and amortization expense

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment	1,816.85	1,907.18
Depreciation on right-of-use assets	168.85	143.21
Amortization of intangible assets	7.47	7.45
Total	**1,993.17**	**2,057.84**

Note 29: Other Expenses

Note-29 (a): Manufacturing and Operating expenses

	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of stores and spare parts	6,577.20	4,850.87
Power and fuel	3,638.81	3,007.45
Job work charges	5,033.32	3,905.83
Payment to labour contractor	3,760.80	2,674.76
Repairs to buildings	142.05	108.91
Repairs to machinery	489.14	416.41
Other Manufacturing and Operating expenses	377.71	337.05
Total (A)	**20,019.03**	**15,301.28**

Note 29 (b): Other expenses

	Year ended March 31, 2022	Year ended March 31, 2021
Rent	200.22	197.28
Insurance	280.83	192.29
Repairs and maintenance others	91.47	78.24
Rates and taxes	31.28	31.02
Commission to selling agents	862.46	724.76
Freight and octroi	4,247.22	2,050.19
Legal and professional expenses	366.98	365.07
IT outsourced support services	184.86	186.36
Travelling and conveyance	256.84	141.01
Advertisement expenses	36.33	5.61
Sales promotion expenses	81.13	97.67
Directors Sitting fees & Commission	84.75	11.00
Net loss on disposal/discard of property, plant and equipment	-	7.17
Facility Charges (Refer note 41)	692.00	430.87
Corporate Social Responsibility	118.00	109.02
Bad Debts, deposits written off	36.26	11.85
Less: Allowances there against	(36.26)	(11.85)
Software expenses	51.90	44.26
Security charges	287.86	242.70
Communication expenses	32.42	34.59
Printing and stationery expenses	43.09	38.43
Motor car expenses	70.23	63.00
Miscellaneous expenses	584.41	425.08
Total (B)	**8,604.28**	**5,475.62**
Total (A + B)	**28,623.31**	**20,776.90**

Note 30(a): Income Taxes

Tax expense recognised in the Consolidated Statement of Profit and Loss

	Year ended March 31, 2022	Year ended March 31, 2021
Current tax		
Current year	2,922.12	1,555.68
Adjustments for prior periods	(15.89)	(3.99)
Total current tax	**2,906.23**	**1,551.69**
Deferred tax		
Decrease in deferred tax assets (net)	163.90	88.54
Increase / (decrease) in deferred tax liabilities (net)	49.08	-156.88
Total deferred tax	**212.98**	**(68.34)**
Total income tax expense	**3,119.21**	**1,483.35**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Group is as follows :

Reconciliation of effective tax rate	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax	11,642.97	6,290.50
Applicable income tax rate	**25.17%**	**25.17%**
Tax Expense at applicable income tax rate	2,930.30	1,583.19
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income	32.98	30.39
Additional capital gain tax on differential amount	200.97	-
Differential tax rate in respect of capital gains	(22.95)	-
Adjustments for prior periods	(15.89)	(3.99)
Changes in tax rate	-	(68.45)
Others	(6.20)	(57.79)
Total income tax expense	**3119.21**	**1483.35**

Consequent to reconciliation items shown above, the effective tax rate is 26.79% (2020-21: 23.58%)

Note 30(b): Current tax assets (net) - non-current

	As at March 31, 2022	As at March 31, 2021
Current tax assets (net of provision of Rs. 5,626.01 lakhs (March 31, 2021: Rs. 6,080.08 lakhs)	147.23	364.15
	147.23	**364.15**

Note 30(c): Current tax assets (net) - current

	As at March 31, 2022	As at March 31, 2021
Current tax assets (net of provision of Rs. 485.12 Lakhs (March 31, 2021: Rs. Nil)	118.1	-
	118.10	**-**

Note 30(d): Current tax liabilities (net)

	As at March 31, 2022	As at March 31, 2021
Current tax liabilities (net of taxes paid of Rs. 1,976.40 lakhs (March 31, 2021: Rs. 3,330.69 lakhs)	387.51	159.78
	387.51	**159.78**

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Note 30(e): Deferred tax

Deferred tax assets (net)

Movement during the year ended March 31, 2021 and March 31, 2022

Particulars	As at April 01, 2020	Credit/(charge) in Statement of Profit and Loss	As at March 31, 2021	Credit/(charge) in Statement of Profit and Loss	As at March 31, 2022
Deferred tax assets on account of :					
Amounts allowable for tax purpose on payment basis	79.29	12.95	92.24	10.15	102.39
Allowances for doubtful receivable and advances	174.32	(42.24)	132.08	(15.98)	116.10
Amount paid under voluntary retirement scheme	293.31	(155.00)	138.31	(136.85)	1.46
Lease Liabilities	377.38	(22.36)	355.02	35.63	390.65
Other temporary differences	57.45	(0.03)	57.42	(57.42)	-
	981.75	**(206.68)**	**775.07**	**(164.47)**	**610.60**
Deferred tax (liabilities) on account of:					
Property plant and equipment and intangible assets	(404.72)	83.96	(320.76)	50.22	(270.54)
Right-of-use Assets	(272.98)	34.18	(238.80)	(49.65)	(288.45)
	(677.70)	**118.14**	**(559.56)**	**0.57**	**(558.99)**
Deferred tax assets (net)	**304.05**	**(88.54)**	**215.51**	**(163.90)**	**51.61**

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Note 30(e): Deferred tax

Deferred tax liabilities (net)

Movement during the year ended March 31, 2022

Particulars	As at April 01, 2021	(Credit)/charge in Other Comprehensive Income	Credit/(charge) in Statement of Profit and Loss	As at March 31, 2022
Deferred tax assets on account of :				
Amounts allowable for tax purpose on payment basis	182.49	-	(23.33)	159.16
Allowances for doubtful receivable and advances	103.77	-	(8.05)	95.72
	286.26	**-**	**(31.38)**	**254.88**
Deferred tax (liabilities) on account of:				
Property plant and equipment and intangible assets	(619.76)	-	(20.90)	(640.66)
Financial assets at fair value through profit or loss	(3.20)	-	3.20	-
	(622.96)	**-**	**(17.70)**	**(640.66)**
Deferred tax liabilities (net)	**(336.70)**	**-**	**(49.08)**	**(385.78)**

Movement during the year ended March 31, 2021

Particulars	As at April 01, 2020	Adjustment pursuant to common control business combinations (Refer Note 49)	(Credit)/charge in Other Comprehensive Income	Credit/(charge) in Statement of Profit and Loss	As at March 31, 2021
Deferred tax assets on account of :					
Amounts allowable for tax purpose on payment basis	17.49	105.79	14.15	45.06	182.49
Allowances for doubtful receivable and advances	-	130.81	-	(27.04)	103.77
	17.49	**236.60**	**14.15**	**18.02**	**286.26**
Deferred tax (liabilities) on account of:					
Property plant and equipment and intangible assets	(19.82)	(740.99)	-	141.05	(619.76)
Financial assets at fair value through profit or loss	(1.01)	-	-	(2.19)	(3.20)
	(20.83)	**(740.99)**	**-**	**138.86**	**(622.96)**
Deferred tax liabilities (net)	**(3.34)**	**(504.39)**	**14.15**	**156.88**	**(336.70)**

Notes:

(i) The Group has not recognised deferred tax liability in respect of taxable temporary difference associated with its investment in the subsidiaries arising on account of the undistributed profits of the subsidiaries amounting to Rs. 7999.70 lakhs (March 31, 2021: Rs. 1703.60 lakhs).

JK Talabot Limited has declared one off dividend by utilising 75.54 % of its cumulative earnings and which has been passed on by the Company to its parent company. As per the provisions of section 80M of the Income Tax Act, 1961, there will be no tax liability on the Company in respect of the dividend received.

Ring Plus Aqua Limited has declared one off dividend by utilising 55.48 % of its cumulative earnings and basis such dividend received, its erstwhile parent Scissors Engineering Products Limited(SEPL) has also declared one off dividend by utilising 99.62 % of dividend so received to its then erstwhile parent Raymond Limited. As per the provisions of section 80M of the Income Tax Act, 1961, there will be no tax liability on the SEPL in respect of the dividend received. (Also Refer Note 49)

The Group believes that it is able to control the timing of reversal of the such taxable temporary differences arising on account of undistributed profits of the subsidiaries and it is probable that such temporary differences will not reverse in the foreseeable future.

(ii) Deferred tax on carried forward unabsorbed capital losses as detailed below has not been considered for recognition of deferred tax asset, as their is no certainty around availability of sufficient future taxable capital gains to offset such capital losses.

Assessment Year (A.Y.)	Capital Loss	Loss Carried forward for upto A.Y.
2016-17	1,178.23	2024-25
2017-18	73.60	2025-26

Note 31: Post retirement benefit plans

(i) Defined benefit plans - Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service, subject to ceiling of Rs. 20.00 lakhs. The gratuity plan is funded plan and the Group makes contributions to recognised fund in India.

The amount recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as below:

A. Balance Sheet

	Gratuity	
	As at March 31, 2022	**As at March 31, 2021**
Present value of defined benefit obligation	(3,729.77)	(3,394.64)
Fair value of plan assets	3,063.21	2,680.89
Net defined benefit obligation	**(666.56)**	**(713.75)**

B. Movements in plan assets and plan liabilities

	As at March 31, 2022			As at March 31, 2021		
	Present value of obligation	**Fair value of plan assets**	**Net**	**Present value of obligation**	**Fair value of plan assets**	**Net**
As at beginning of the year	**(3,394.64)**	**2680.89**	(713.75)	**(2,122.37)**	**2054.70**	**(67.67)**
Adjustment pursuant to common control business combinations (Refer Note 49)	-	-	-	(784.62)	512.27	**(272.35)**
Current service cost (including past service cost)	(177.64)	-	**(177.64)**	(156.39)	-	**(156.39)**
Interest (cost) / income	(229.09)	181.69	**(47.40)**	(198.81)	175.55	**(23.26)**
Remeasurements:						
Return on plan assets excluding actual return on plan asset	-	13.70	**13.70**	-	50.34	**50.34**
Gain/(loss) arising from changes in demographic assumptions	(0.63)	-	**(0.63)**	-	-	-
Gain/(loss) arising from changes in financial assumptions	1.97	-	**1.97**	(19.88)	-	**(19.88)**
Gain/(loss) arising from experience adjustments	(116.30)	-	**(116.30)**	(307.80)	-	**(307.80)**
Employer contributions	-	378.43	**378.43**	-	75.12	**75.12**
Benefit payments	186.56	(186.56)	-	187.09	(187.09)	-
Benefit paid directly by the Employer	-	-	-	8.14	-	**8.14**
	(3,729.77)	**3,068.15**	**(661.62)**	**(3,394.64)**	**2,680.89**	**(713.75)**
Plan Assets - Not Recognised *	-	(4.94)	**(4.94)**	-	-	-
As at end of the year	**(3,729.77)**	**3,063.21**	**(666.56)**	**(3,394.64)**	**2,680.89**	**(713.75)**

*Surplus of assets over liabilities in JK Talabot Limited ('subsidiary company) of Rs. 4.94 lakhs netted above has not been recognised on the basis that future economic benefits are not available to the subsidiary company in the form of a reduction in future contributions or cash refunds.

The present value of obligation at each balance sheet date above relates to active employees.

C. The Group expects to contribute Rs. 327.90 lakhs to the funded plans in financial year 2022-23 (2021-22: Rs. 328.49 lakhs) for gratuity

(All amounts are in Rs. Lakhs, unless stated otherwise)

D. Statement of Profit and Loss

	Year ended March 31, 2022	Year ended March 31, 2021
Employee Benefit Expenses:		
Current service cost (including past service cost)	177.64	156.39
	177.64	**156.39**
Interest Cost (net of interest earned)	47.40	23.26
Surplus of assets over liabilities in subsidiary company not recognised	4.94	-
Net impact on the Profit before tax	**229.98**	**179.65**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding actual return on plan asset	13.70	50.34
Gains/(losses) arising from changes in demographic	(0.63)	-
Gains/(losses) arising from changes in financial assumptions	1.97	(19.88)
Gains/(losses) arising from experience adjustments	(116.30)	(307.80)
Net impact on the Other Comprehensive Income before tax	**(101.26)**	**(277.34)**

E. Assets

	As at March 31, 2022	As at March 31, 2021
Insurer managed fund	3,068.15	2,680.89
Total	**3,068.15**	**2,680.89**

F. Significant Estimate: Actuarial assumptions

	As at March 31, 2022	As at March 31, 2021
Financial assumptions		
Discount rate	6.98% ~ 7.35%	6.44% ~ 6.96%
Salary growth rate	6.50% ~ 7.5%	3% ~ 7.5%
Attrition rate - with respect to Ring Plus Aqua Limited	For Workers 2% For Staff 15%, 10% & 5%	For Workers 2% For Staff 15%, 10% & 5%
Attrition rate - with respect to other entities of group	2.00%	2.00%
Return on plan assets	6.98% ~ 7.35%	6.44% ~ 6.96%

Demographic assumptions

Mortality in Service : Indian Assured Lives Mortality 2012-14 (Urban) Table / Indian Assured Lives Mortality (2006-08) Ultimate table

G. Significant Estimate: Sensitivity of actuarial assumptions

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions is:

		As at March 31, 2022		As at March 31, 2021	
	Change in assumption	Increase in assumption having an impact on present value of plan obligation	Decrease in assumption having an impact on present value of plan obligation	Increase in assumption having an impact on present value of plan obligation	Decrease in assumption having an impact on present value of plan obligation
Discount rate	1%	(244.92)	279.59	(241.46)	276.78
Salary growth rate	1%	271.96	(243.59)	272.09	(242.39)
Attrition rate	1%	(7.75)	8.55	(10.34)	11.82

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of each year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

The weighted average duration of the defined benefit obligation is 8 to 20 years (31 March, 2021 : 8 to 20 years).

H. The defined benefit obligations shall mature after year end March 31, 2022 and March 31, 2021 as follows:

	Defined benefit obligation	
Gratuity :	As at March 31, 2022	As at March 31, 2021
1st year	333.99	190.44
2nd year	202.84	195.88
3rd year	327.77	292.00
4th year	356.66	295.04
5th year	406.72	323.38
Thereafter	4,564.19	4,307.45

Risk Exposure

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset volatility Risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. These are subject to interest rate risk and the fund manages interest rate risk to an acceptable level.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(ii) Defined contribution plans :

The Group also has certain defined contribution plans. Contributions are made to provident fund, employees state insurance scheme for employees .The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the Year towards defined contribution plan is Rs. 580.96 lakhs (March 31,2021 - Rs.475.45 lakhs).

(iii) Compensated absences:

The leave obligations cover the Group's liability for sick and earned leave, which are classified as other long term benefits and which are actuarially valued at each year end by applying the assumptions referred in '(i)(F)' above.

The entire amount of the provision of Rs. 579.50 lakhs (March 31,2021- Rs. 544.55 lakhs) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations.

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Note 32: Social security code

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 33: Earnings per share

		Year ended March 31, 2022	Year ended March 31, 2021
Basic earnings per share has been computed as under:			
Profit for the year attributable to owners of the parent	A	8,091.68	4,550.19
Weighted average number of equity shares outstanding (in nos.)		5,24,43,948	87,40,658
Add: Impact of sub-division of equity shares (Refer Note 47)		-	3,49,62,632
Add: Impact of bonus equity shares (Refer Note 48)		-	87,40,658
Weighted average number of equity shares for basic EPS	B	5,24,43,948	5,24,43,948
Earnings per share (Rs.)	A/B	15.43	8.68
Diluted earnings per share has been computed as under:			
Profit for the year attributable owners of the parent		8,091.68	4,550.19
Less: Adjustment		-	-
Adjusted Profit for the year	C	8,091.68	4,550.19
Weighted average number of equity shares outstanding for basic EPS (in nos.)		5,24,43,948	5,24,43,948
Add: Dilutive potential equity share (Refer Note 13)		9,44,275	18,33,300
Add: Dilutive impact of sub-division of potential equity shares (Refer Note 47)		37,77,100	73,33,200
Weighted average number of equity shares for dilutive EPS	D	5,71,65,323	6,16,10,448
Dilutive Earnings Per Share (Rs.)	C/D	14.15	7.39
Nominal value per equity share (in Rs.) (Refer Note 47)		2.00	2.00

Note 34: Assets pledged as security

The carrying amounts of assets pledged as security are:

	As at March 31, 2022	As at March 31, 2021
Current assets		
Floating Charge		
Trade receivables	8,802.84	4,952.08
Inventories	14,088.81	13,546.48
Cash and cash equivalents	245.49	382.12
Other financial asset	837.47	41.51
Other current assets	1,714.74	2,283.63
Total assets pledged as security	**25,689.35**	**21,205.82**

Note 35: Contingent liabilities

	As at March 31, 2022	As at March 31, 2021
Contingent Liabilities		
(i) Claims against the Group not acknowledged as debts in respect of:		
Income tax matters	116.95	124.92
Sales tax matters	238.11	387.73
Excise and service tax matters	26.38	26.38
Other matters *	130.05	130.05

* Amount pertains to various labour related matters.

(ii)The Supreme Court of India, through a ruling in February 2019, provided guidelines for interpreting the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. There is significant uncertainty and ambiguity in interpreting and giving effect to the guidelines of Supreme Court. The Group believes that there will be no significant impact on its contributions to Provident Fund due to the Supreme Court Order. The Group will evaluate its position and act as clarity emerges on impact of the ruling.

The amount shown in respect of above items represent the best possible estimates arrived at on basis of available information. The timing of cash flows will be determinable only on receipt of judgement / decisions pending with various forums / authorities.

The Group does not expect any reimbursements in respect of the above contingent liabilities.

Note 36: Commitments

Capital Commitments

Capital expenditure contracted for at the end of the each period but not recognised as liabilities is as follows:

	As at March 31, 2022	As at March 31, 2021
Property, plant and equipment (net of capital advances)	**1,077.17**	**62.99**

Other Commitments

During the year ended March 31, 2022, the Company has entered into a Memorandum of Understanding ('MoU') with Tata Capital Financial Services Limited (TCFSL). Pursuant to MoU, the TCFSL will provide channel finance facility to Company's dealers /distributors upto a maximum limit of Rs 2,000 lakhs. The Compamy provides guarantee of maximum 15% of program limit as first loss default guarantee ("FLDG") and to the extent of terms and conditions mentioned therein. As at March 31, 2022, there are no such exposure with TCFSL.

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Note 37: Fair Value measurements

Financial instruments by category

	As at March 31, 2022		As at March 31, 2021	
	FVPL	**Amortised Cost**	**FVPL**	**Amortised Cost**
Financial Assets				
Investments	2,266.00	-	1,452.38	-
Loans	-	-	-	9,210.00
Derivative financial instruments	25.14	-	35.18	-
Other Financial Assets	-	1,038.12	-	229.41
Trade receivable	-	8,802.84	-	4,952.08
Cash and Cash equivalents	-	807.88	-	659.23
Bank Balance other than above	-	3.78	-	-
	2,291.14	**10,652.62**	**1,487.56**	**15,050.72**
Financial Liabilities				
Borrowings	-	1,752.09	-	2,566.62
Derivative financial instruments	0.98	-	12.41	-
Other Financial Liabilities	-	2,962.04	-	2,613.31
Trade Payables	-	10,421.05	-	10,624.19
	0.98	**15,135.18**	**12.41**	**15,804.12**

Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements	**As at March 31, 2022**		**As at March 31, 2021**	
	Level 1	**Level 2**	**Level 1**	**Level 2**
Financial Assets				
Investments	2,266.00	-	1,452.38	-
Derivative financial instruments	-	25.14	-	35.18
Total financial assets	**2,266.00**	**25.14**	**1,452.38**	**35.18**
Financial Liabilities				
Derivative financial instruments	-	0.98	-	12.41
Total financial liabilities	**-**	**0.98**	**-**	**12.41**

Financial Instruments by category

The fair values of the financial assets and liabilities are 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:
1. Fair value of trade receivables, cash and cash equivalent, other bank balances, other current financial asset (other than derivative), trade payable and other current financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Valuation Technique used to determine fair value
- the use of NAV declared by the fund for investment in mutual funds
- the fair value of forward exchange contracts is determined using forward exchange rates at the reporting date.

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Note 38: Financial risk management

The Group's activities expose it to credit risk, liquidity risk and market risk. The Group's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The Group financial risk management is set by the Working Board comprising of CEO, CFO and various head of departments. The policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls are monitored by higher authorities and approved by senior management. This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the related impact in the financial statements.

A) 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 market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Group has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Group ensures optimization of cash through fund planning and robust cash management practices.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regards to interest income and interest expenses and to manage the interest rate risk, the Group performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting year was outstanding for the whole year.

Exposure to interest rate risk

Particulars	As at March 31, 2022	As at March 31, 2021
Total borrowings (non-current and current)	1,752.09	2,566.62
% of Borrowings bearing variable rate of interest	91%	79%

Interest rate sensitivity
A change of 50 bps in interest rates would have following impact on profit before tax

	Year ended March 31, 2022	Year ended March 31, 2021
50 bp increase would decrease the profit before tax by	7.94	10.16
50 bp decrease would Increase the profit before tax by	(7.94)	(10.16)

b) Foreign Currency risk

The Group operates internationally and portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by foreign exchange forward contracts in the respective currencies.

Foreign Currency Exposure as at the reporting date

Particulars	As at March 31, 2022						
	USD (in Mn.)	In Rs	EUR (in Mn.)	In Rs	GBP (in Mn.)	In Rs	Total (In Rs.)
Trade Receivable	4.22	3,197.60	2.70	2,294.67	0.01	8.96	5,501.23
Offset by Derivatives : Foreign Exchange Forwards Contracts	(2.29)	(1,744.96)	(0.93)	(792.11)	-	-	(2,537.07)
Net Exposure	**1.93**	**1,452.64**	**1.77**	**1,502.56**	**0.01**	**8.96**	**2,964.16**
Trade Payable	0.27	207.36	-	-	-	-	207.36
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net Exposure	**0.27**	**207.36**	-	-	-	-	**207.36**
Packing Credit in Foreign Currency	0.74	561.94	-	-	-	-	561.94
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net Exposure	**0.74**	**561.94**	-	-	-	-	**561.94**
Buyers Credit	-	-	0.18	154.93	-	-	154.93
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net Exposure	-	-	**0.18**	**154.93**	-	-	**154.93**

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Particulars	As at March 31, 2021						
	USD (in Mn.)	In Rs	EUR (in Mn.)	In Rs	GBP (in Mn.)	In Rs	Total (In Rs.)
Trade Receivable	3.02	2,235.01	1.60	1,362.66	0.02	19.94	3,617.61
Offset by Derivatives : Foreign Exchange Forwards Contracts	(3.02)	(2,235.01)	(0.94)	(796.65)	-	-	(3,031.66)
Net Exposure	-	-	**0.66**	**566.01**	**0.02**	**19.94**	**585.95**
Trade Payable	1.29	941.88	-	-	-	-	941.88
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net Exposure	**1.29**	**941.88**	-	-	-	-	**941.88**

Note: Transaction in other foreign currencies below rounding off norms adopted by the Group are not reported above.

Derivative outstanding as at the reporting date

(Foreign Currency in million)

Foreign currency	As at March 31, 2022		As at March 31, 2021	
	Sell	Buy	Sell	Buy
Forward Contracts USD	2.29	0.27	4.20	-
Forward Contracts EURO	0.93	-	0.94	-

Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

Foreign Currency Risk Sensitivity

A change of 5% in foreign currency would have following impact on profit before tax

	Year ended March 31, 2022		Year ended March 31, 2021	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	121.42	(121.42)	64.66	(64.66)
EURO	122.48	(122.48)	68.13	(68.13)
GBP	0.45	(0.45)	1.00	(1.00)
Increase/Decrease in Profit or Loss	244.34	(244.34)	133.79	(133.79)

c) Price risk
Exposure

Security price risk is the risk that the fair value of a financial instrument will fluctuate due to change in market traded prices. The Company invests its surplus funds primarily in liquid schemes of mutual funds (debt instruments) which are categorised as low risk products from liquidity and interest rate perspectives. The carrying amount of the Group's investments are designated as at fair value through profit or loss at the end of the reporting period.

Sensitivity
The sensitivity analysis below is presented with reference to changes in NAV of these securities:-

	Year ended March 31, 2022	Year ended March 31, 2021
NAV - Increases by 1% *	22.57	14.44
NAV - Decreases by 1% *	(22.57)	(14.44)

* Holding all other variables constant

B) Credit risk
Credit risk is the risk that a counterparty fails to discharge its obligation to the Group.
The Group is exposed to credit risk from its operating activities (primarily trade receivables) , security deposit and from its investing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalent and other bank balances
Credit risk related to cash and cash equivalents is managed by accepting highly rated banks. Management does not expect any losses from non-performance by these counterparties.

Other financial assets measured at amortized cost
Other financial assets measured at amortized cost includes bank deposits, loans and other receivables. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. The expected credit loss on these financial instruments is expected to be insignificant.

Trade and other receivables
The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates have been computed based on ageing

(All amounts are in Rs. Lakhs, unless stated otherwise)

i) Movement in allowances for expected credit losses on trade receivables

	As at March 31, 2022	As at March 31, 2021
As at beginning of the year	711.18	604.06
Adjustment pursuant to common control business combinations (Refer Note 49)	-	278.76
Less:- Write back of Loss Allowances	(69.96)	(159.79)
Less:- Allowances utilised against bad debts (Refer Note 29(b))	(36.26)	(11.85)
As at end of the year	604.96	711.18

ii) Movement in allowances for other receivables

	As at March 31, 2022	As at March 31, 2021
As at beginning of the year	83.72	83.72
Add:- Loss Allowances	-	-
As at end of the year	83.72	83.72

C) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time, or at a reasonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Financing arrangements

The Group had access to following undrawn Borrowing facilities at end of reporting period:

	As at March 31, 2022	As at March 31, 2021
Variable rate borrowing - cash credit (expires within 1 year)	7,957.15	6,238.90

The cash credit facilities may be drawn at any time and be terminated by bank without notice. Subject to satisfactory credit ratings, these facilities may be drawn at any time in INR.

Maturities of financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	As at March 31, 2022				
	On demand	**Less than 1 year**	**1-5 years**	**More than 5 years**	**Total**
Long term borrowings (Including current maturity of long term borrowing)	-	9.69	-	-	9.69
Current borrowings *	1,742.40	-	-	-	1,742.40
Trade payable #	-	10,421.05	-	-	10,421.05
Lease liabilities	-	161.77	1,030.61	359.61	1,551.99
Deposits from dealers, agents etc.	-	50.00	-	541.33	591.33
Other financial liabilities (excluding Deposits from dealers, agents etc.)	3.44	2,368.25	-	-	2,371.69
Total	**1,745.84**	**13,010.76**	**1,030.61**	**900.94**	**16,688.15**

	As at March 31, 2021				
	On demand	**Less than 1 year**	**1-5 years**	**More than 5 years**	**Total**
Long term borrowings (Including current maturity of long term borrowing)	-	25.84	9.69	-	35.53
Current borrowings *	2,531.09	-	-	-	2,531.09
Trade payable #	-	10,624.19	-	-	10,624.19
Lease liabilities	-	112.50	702.83	595.10	1,410.43
Deposits from dealers, agents etc.	-	60.00	-	528.58	588.58
Other financial liabilities (excluding Deposits from dealers, agents etc.)	-	2,037.13	-	-	2,037.13
Total	**2,531.09**	**12,859.66**	**712.52**	**1,123.68**	**17,226.95**

*does not include interest payable in future periods, since they are repayable on demand and contractual payment to be made in respect of interest is not accurately determinable considering balance vary based on the fund requirements of the Group.

The amounts are payable over a period of 30-90 days as per the credit period with respective vendors.

Note 39: Capital risk management

(a) The Group aims to manage its capital efficiency to safeguard its ability to continue as going concern and optimise return to the shareholders.

The capital structure of the Group is based on management judgement of the appropriate balance of key element in order to meet its strategic and day to day needs. The management considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and risk characteristics of the underlying asset. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares.

The Group's policy is to maintain a stable and strong capital structure with focus on total equity so as to maintain stakeholder confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Group's management monitors the return on capital as well as the level of dividends to shareholders.

The Group monitors the gearing ratio to evaluate debt leveraging and to ensure debts are maintained at the acceptable level.

The gearing ratio were as follows:

	As at March 31, 2022	**As at March 31, 2021**
Net Debt *	2,499.04	3,320.05
Total Equity	22,892.22	26,036.67
Net Debt to total equity	**10.92%**	**12.75%**

* Includes borrowings, lease liabilities, interest accrued thereon which is compensated by cash and cash equivalents.

(b) Dividend

The Group has declared interim dividend for the financial year 2021-22 of Rs. 4 each (face value Rs. 2 per share) amounting to Rs. 2,097.76 lakhs which was approved by the Board of Directors of Company in its meeting held on October 25, 2021.

Scissors Engineering Products Limited (SEPL) declared interim dividend for the financial year 2021-22 of Rs. 35.30 each amounting to Rs. 6,400.37 lakhs to its erstwhile parent Raymond Limited, which was approved by SEPL's Board of Directors in its meeting held on October 25, 2021. (Refer Note 49)

Note 40: Redemption Of 9% Non-Cumulative Convertible Preference Shares ("9% NCCPS")

Pursuant to the approval of the Board of Directors in their meeting held on September 27, 2021, the Company exercised its option and redeemed NCCPS on October 06, 2021.

Note 41: Related parties disclosures as per Ind AS 24

1. **Name of the Related Parties :**

Related parties where control exists, irrespective of whether transaction has occurred or not:

(a) **Holding Company**
Raymond Limited, India

Other related parties with whom transactions have taken place during the year:

(b) **Fellow Subsidiary Companies**
Raymond (Europe) Limited, United Kingdom
Raymond Apparel Limited, India
Raymond Luxury Cotton Limited, India

(c) **Entities over which parent exercises significant influence**
PT. Jaykay Files Indonesia, Indonesia
PT. Jaykay International Indonesia, Indonesia
J K Helene Curtis Limited, India
Ray Global Consumer Trading Limited, India
Raymond UCO Denim Private Limited, India

(d) **Entities having significant influence over parent**
JK Investors (Bombay) Limited

Other related parties:

(e) **Key Management Personnel :**
Whole time Director : Ganesh Kumar Subramanian (till May 31, 2020)
Whole time Director : Balasubramanian Vishwanathan (w.e.f. November 17, 2021)
Chief Executive Officer : Hukumchand Lakhotiya (w.e.f January 07, 2021)
Independent Director : Satish Sekhri (w.e.f. November 17, 2021)
Independent Director : Vijay Bhatt (w.e.f. November 17, 2021)
Non Executive Director : Rashmi Brijgopal Mundada
Non executive director : Ravikant Uppal
Non executive director : Vipin Agarwal (till October 16, 2020)
Non executive director : Balasubramanian Vishwanathan (w.e.f. November 09, 2020 till November 16, 2021)
Non executive director : Ganesh Kumar Subramanian (w.e.f. June 01, 2020 till 16th November, 2021)
Non executive director : Gautamhari Singhania (w.e.f. November 17, 2021)
Non executive director : Krishnan Ashwath Narayan (till November 17, 2021)

(f) **Trust**
JK Files (India) Limited - Employees Gratuity Scheme
JK Talabot Limited - Employees Gratuity Scheme
Ring Plus Aqua Limited - Employee Gratuity Scheme

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note--2. Transactions carried out with related parties referred in 1, in ordinary course of business :

Nature of transactions	Related Parties											
	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above		Referred in 1(e) above		Referred in 1(f) above	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Purchases :												
Goods and Materials	1.81	-	-	-	-	-	-	-	-	-	-	-
Other Income :												
Interest Income on Inter-company loan	-	-	318.05	120.89	42.72	85.15	-	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-	19.22	-	-	-	-	-
Expenses :												
Employee Benefits Expenses												
(Managerial remuneration)	-	-	-	-	-	-	-	-	361.34	61.31	-	-
Other Expenses												
Rent expenses	158.23	151.82	-	-	-	-	-	-	-	-	-	-
Facility Charges	692.00	437.28	-	-	-	-	-	-	-	-	-	-
Legal and Professional Expenses		-	-	-	-	-	-	-	16.00	13.00	-	-
Directors sitting fees and commission		-	-	-	-	-	-	-	47.75	4.25	-	-
Sales Promotion expenses		-	-	-	0.30	-	-	-		-	-	-
<u>**Reimbursement of Expenses**</u>												
Salaries, wages, bonus, etc	0.81	-	-	-	-	-	-	-	-	-	-	-
Workmen and Staff welfare expenses	2.43	-	-	-	-	-	-	-	-	-	-	-
Electricity charges	36.56	16.81	-	-	-	-	-	-	-	-	-	-
Legal and Professional Expenses	36.64	15.46	-	-	-	-	-	-	-	-	-	-
Insurance	2.48	1.15	-	-	-	-	-	-	-	-	-	-
Miscellaneous expenses	104.27	87.48	-	-	-	-	35.20	0.16		-	-	-
Contribution to Employees Gratuity fund	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**149.00**	326.44	75.11
Other Receipts :												
Reimbursement of expenses	724.15	623.88	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses(IPO)	802.56	-	-	-	-	-	-	-	-	-	-	-
Loans given :												
Inter Corporate loan Given	-	-	1,100.00	7,900.00	-	10.00	-	-	-	-	-	-
Inter Corporate loan repayment received	-	-	9,300.00	-	1,010.00	-	-	-	-	-	-	-
Redemption of instruments entirely in the nature of Equity:	2,200.00	-	-	-	-	-	-	-	-	-	-	-
Dividend Paid:	8,498.13	-	-	-	-	-	461.43	-	-	-	-	-
Sale of Property, Plant and Equipment:	-	-	-	-	-	-	970.87	-	-	-	-	-

JK Files & Engineering Limited
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Note--2. Transactions carried out with related parties referred in 1 above, in ordinary course of business :

Nature of transactions	Related Parties							
	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Outstandings :								
Trade payable	26.79	67.36	16.15	16.15	-	-	-	-
Other current financial liabilities								
- Other Payable	58.32	-	-	-	-	-	-	-
Trade receivable *	-	-	-	-	240.88	303.97	-	-
Loans#	-	-	-	8,200.00	-	1,010.00	-	-
Other financial assets								
- Interest Accrued	-	-	-	38.07		15.87	-	-
- Receivable from Related Parties	802.56	-	-	-	83.72	83.72	-	-

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Note--3. Transactions carried out with related parties referred in 1 above, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended March 31, 2022	Year ended March 31, 2021
Purchases :		
Goods and Material		
Raymond Limited	1.81	-
Other Income :		
Interest Income on Inter-company loan		
Raymond Apparel Limited	304.98	35.57
Raymond Luxury Cotton Limited	13.07	85.32
Raymond UCO Denim Private Limited	41.92	85.00
Ray Global Consumer Trading Limited	0.80	0.15
Miscellaneous Income		
JK Investors (Bombay) Ltd	19.22	-
Expenses :		
Employee benefits expenses		
Short term employee benefits		
Ganesh Kumar Subramanian	-	22.63
Hukumchand Lakhotiya	152.52	35.73
Balasubramanian Vishwanathan	196.46	-
Post employment benefits		
Ganesh Kumar Subramanian	-	1.60
Hukumchand Lakhotiya	5.76	1.35
Balasubramanian Vishwanathan	6.60	-
Finance Cost		
Other Expenses		
Rent expenses		
Raymond Limited	158.23	151.82
Facility charges		
Raymond Limited	692.00	437.28
Director sitting fees		
Gautamhari Singhania	2.00	-
Rashmi Mundada Brijgopal	4.25	1.50
Ravikant Uppal	7.50	2.75
Satish Sekhri	5.00	-
Vijay Bhatt	5.00	-
Director commission		
Mrs. Rashmi Mundada Brijgopal	4.00	-
Mr. Ravikant Uppal	8.00	-
Mr. Gautam Hari Singhania	4.00	-
Mr. Satish Sekhri	4.00	-
Mr. Vijay Bhatt	4.00	-
Legal and professional expenses		
Ravikant Uppal	16.00	13.00

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Notes to the Consolidated Financial Statements for the year ended March 31, 2022
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Note--3. Transactions carried out with related parties referred in 1 above, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended March 31, 2022	Year ended March 31, 2021
<u>**Reimbursement of Expenses**</u>		
Salaries, wages, bonus, etc		
Raymond Limited	0.81	-
Workmen and Staff welfare expenses		
Raymond Limited	2.43	-
Electricity charges		
Raymond Limited	36.56	16.81
Legal and professional expenses		
Raymond Limited	36.64	15.46
Sales Promotion expenses		
J K Helene Curtis Limited	0.30	-
Insurance		
Raymond Ltd	2.48	1.15
Miscellaneous expenses		
Raymond Limited	104.27	87.48
JK Investors (Bombay) Ltd	35.20	0.16
Paid to trust - Employees gratuity fund	326.44	75.11
Other Receipts :		
Reimbursement of expenses		
Raymond Limited	724.15	623.88
Reimbursement of expenses(IPO)		
Raymond Limited	802.56	-
Loans given:		
Inter Corporate loan Given		
Raymond Apparel Limited	1,100.00	5,900.00
Raymond Luxury Cotton Limited	-	2,000.00
Ray Global Consumer Trading Limited	-	10.00
Inter Corporate loan repayment received		
Raymond Apparel Limited	7,300.00	-
Raymond UCO Denim Private Limited	1,000.00	-
Raymond Luxury Cotton Limited	2,000.00	-
Ray Global Consumer Trading Limited	10.00	-

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Note--3. Transactions carried out with related parties referred in 1 above, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended March 31, 2022	Year ended March 31, 2021
Redemption of instruments entirely in the nature of Equity		
Raymond Limited	2,200.00	-
Dividend Paid:		
Raymond Limited	8,498.13	-
JK Investors (Bombay) Ltd	461.43	-
Sale of Property, Plant and Equipement:		
JK Investors (Bombay) Ltd	970.87	-

JK Files & Engineering Limited
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Note--3. Transactions carried out with related parties referred in 1 above, in ordinary course of business :

Outstandings :	As at March 31, 2022	As at March 31, 2021
Trade payable		
Raymond Limited	26.79	67.36
Raymond Europe Limited	16.15	16.15
Trade receivable		
P T Jaykay International Indonesia*	240.88	303.97
Other financial liabilities		
Raymond Limited	58.32	-
Loans#		
Raymond Apparel Limited	-	6,200.00
Raymond Luxury Cotton Limited	-	2,000.00
Raymond UCO Denim Private Limited	-	1,000.00
Ray Global Consumer Trading Limited	-	10.00
Other financial assets		
- Interest Accrued		
Raymond Apparel Limited	-	0.21
Raymond Luxury Cotton Limited	-	37.86
Raymond UCO Denim Private Limited	-	15.73
Ray Global Consumer Trading Limited	0.09	0.14
- Receivable towards IPO expense		
Raymond Limited	802.56	-
- Receivable from Related Parties		
P T Jaykay Files Indonesia*	83.72	83.72

* The total receivable from PT JayKay Files and PT JayKay International, Indonesia has been provided.

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivables		
P T Jaykay International Indonesia	240.88	299.60
Other Financial Assets		
P T Jaykay Files Indonesia	83.72	83.72

Inter-company loan receivable were provided to group companies to meet their working capital requirements.
Transactions were done in ordinary course of business and on normal terms and conditions.

JK Files & Engineering Limited
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Note 42: Segment Information

A. Operating Segments:

The board of directors of the Group has appointed a Managing Director which assesses the position and group's financial performance from a product and geographic perspective.
(i) Tools and hardware - The tools and hardware business operates five manufacturing facilities in India with two located at Chiplun and one at Ratnagiri in Maharashtra, one in Pithampur in Madhya Pradesh and Vapi in Gujarat, which are primarily involved in the manufacturing of files and drills.
(ii) Auto Components and Engineering Products - The Auto Components and Engineering Products business operates in three facilities for manufacturing of ring gears, flexplates and water pump bearings located in the industrial belt of Nashik, Maharashtra.

The Managing Director uses the following measure to assess the performance of the operating segments.
Segment revenue and results:
The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

Segment assets and Liabilities:
Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, inventories and other operating assets. Segment liabilities primarily include trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segments are shown as unallocable assets / liabilities.

Inter segment transfer:
Inter segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

(a) Summary of segment Information is as follows:

Particular	As at March 31, 2022				As at March 31, 2021			
	Tools & Hardware	**Auto Components and Engineering Products**	**Elimination**	**Total**	**Tools & Hardware**	**Auto Components and Engineering Products**	**Elimination**	**Total**
Segment Revenue								
External Revenue	49,999.16	31,201.85	-	**81,201.01**	34,419.55	19,731.59	-	**54,151.14**
Inter-Segment Revenue	6.79		(6.79)	-	6.02	-	(6.02)	-
Total Revenue	**50,005.95**	**31,201.85**	**(6.79)**	**81,201.01**	**34,425.57**	**19,731.59**	**(6.02)**	**54,151.14**
Segment Result	**5,269.03**	**4,929.16**	**-**	**10,198.19**	**3,334.41**	**2,656.15**	**-**	**5,990.56**
Add / (Less):								
Unallocated income/(expenses) (Net)				481.12				597.55
Finance Cost (Excluding Interest on Leases)				(223.18)				(297.61)
Add : Exceptional items				1,186.83				-
Tax expense				(3,119.21)				(1,483.35)
Net Profit				**8,523.75**				**4,807.15**
Other Information:								
Segment Assets	21,911.99	18,524.44	(1.23)	40,435.20	23,062.68	22,554.64	(1.11)	45,616.21
Unallocated assets				3,276.50				2,691.26
Total Assets	**21,911.99**	**18,524.44**	**(1.23)**	**43,711.70**	**23,062.68**	**22,554.64**	**(1.11)**	**48,307.47**
Segment Liabilities	10,569.05	7,726.35	(1.23)	18,294.17	12,076.91	7,131.92	(1.11)	19,207.72
Borrowings				1,752.09				2,566.62
Other unallocated liabilities				773.28				496.48
Total Liabilities	**10,569.05**	**7,726.35**	**(1.23)**	**20,819.54**	**12,076.91**	**7,131.92**	**(1.11)**	**22,270.82**
Capital Expenditure								
Segment capital expenditure	445.75	1,128.70	-	**1,574.45**	194.37	333.93	(0.91)	**527.39**
Depreciation and Amortisation:								
Segment depreciation and amortisation	916.41	1,076.76	-	**1,993.17**	971.71	1,086.13	-	**2,057.84**

(All amounts are in Rs. Lakhs, unless stated otherwise)

Information in respect of geographical area is as below:

Revenue from contract with customers *

	Year ended March 31, 2022	Year ended March 31, 2021
India	32,385.52	24,217.68
Africa	6,967.14	4,436.53
America	18,858.89	11,780.03
Asia (excluding India)	7,179.90	3,651.59
Europe	11,826.11	7,407.45
Australia	41.82	106.32
Total	**77,259.38**	**51,599.60**

Non-current asset**

	As on March 31, 2022	As on March 31, 2021
India	14,207.98	14,489.64
Africa	-	-
America	-	-
Asia (excluding India)	-	-
Australia	-	-
Total	**14,207.98**	**14,489.64**

* Based on location of customer
** Excluding financial asset and current tax assets, deferred tax assets

(b) Considering the nature of business of the Group in which it operates, the Group deals with various customers including multiple geographies. Consequently, none of the customers contribute materially to the revenue of the Group.

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 43: Interests in other entities

The Consolidated Financial Statements present the consolidated accounts of the Group with its following Subsidiaries:

A. Subsidiary

The details of the Group’s subsidiaries are set out below. Its share capital consists solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name	Country of Incorporation / Principal activities	As on March 31, 2022	As on March 31, 2021
Subsidiary :			
JK Talabot Limited (JKTL)	India / Engineering, tools and related component		
- Ownership interest held by the Group		90.00%	90.00%
- Ownership interest held by non-controlling interests		10.00%	10.00%
Scissors Engineering Products Limited (SEPL)	India / Engineering, tools and related component		
- Ownership interest held by the Group		100.00%	100.00%
- Ownership interest held by non-controlling interests		0.00%	0.00%
Ring Plus Aqua Limited (RPAL)	India / Engineering, tools and related component		
- Ownership interest held by the Group		89.07%	89.07%
- Ownership interest held by non-controlling interests		10.93%	10.93%

B. Non-controlling interests (NCI)

Set out below is summarised financial information for subsidiary's non-controlling interests. The amounts disclosed for subsidiary are before Inter-company eliminations.

Summarised balance sheet	As on March 31, 2022			As on March 31, 2021		
	JKTL	RPAL	Total	JKTL	RPAL	Total
Current assets	1,090.52	13,017.65	14,108.17	2,376.78	15,728.03	18,104.81
Current liabilities	444.38	8,649.61	9,093.99	367.32	8,366.58	8,733.90
Net current assets	**646.14**	**4,368.04**	**5,014.18**	**2,009.46**	**7,361.45**	**9,370.91**
Non-current assets	717.46	8,254.96	8,972.42	693.78	8,478.80	9,172.58
Non-current liabilities	5.06	380.72	385.78	4.93	341.45	346.38
Net non-current assets	**712.40**	**7,874.24**	**8,586.64**	**688.85**	**8,137.35**	**8,826.20**
Net assets	**1,358.54**	**12,242.28**	**13,600.82**	**2,698.31**	**15,498.80**	**18,197.11**
Accumulated NCI	**135.85**	**1,338.06**	**1,473.91**	**269.83**	**1,694.00**	**1,963.83**

Summarised statement of profit and loss	Year ended March 31, 2022			Year ended March 31, 2021		
	JKTL	RPAL	Total	JKTL	RPAL	Total
Revenue	2,856.31	31,201.85	34,058.16	2,019.03	19,731.59	21,750.62
Profit for the year	88.03	3,872.69	3,960.72	108.63	2,251.63	2,360.26
Other comprehensive income / (loss)	21.99	39.55	61.54	(38.19)	(42.07)	(80.26)
Total comprehensive income	**110.02**	**3,912.24**	**4,022.26**	**70.44**	**2,209.56**	**2,280.00**
Profit allocated to NCI	8.80	423.28	432.08	10.86	246.10	256.96
Other comprehensive income / (loss) allocated to NCI	2.20	4.32	6.52	(3.82)	(4.60)	(8.42)
Total comprehensive income allocated to NCI	**11.00**	**427.60**	**438.60**	**7.04**	**241.50**	**248.54**
Dividends paid to NCI	144.98	788.46	933.44	-	-	-

Summarised cash flows	Year ended March 31, 2022			Year ended March 31, 2021		
	JKTL	RPAL	Total	JKTL	RPAL	Total
Cash flows from operating activities	(21.31)	3,887.68	3,866.37	(85.41)	3,466.41	3,381.00
Cash flows from investing activities	1,489.25	3,805.08	5,294.33	150.60	(3,417.57)	(3,266.97)
Cash flows from financing activities	(1,450.02)	(7,391.37)	(8,841.39)	(13.34)	(280.36)	(293.70)
Net increase/ (decrease) in cash and cash equivalents	**17.92**	**301.39**	**319.31**	**51.85**	**(231.52)**	**(179.67)**

C. There are no transactions with NCI during the year covered under Consolidated Financial Statements.

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2022
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 44: Disclosures mandated by Schedule III of Companies Act 2013, by way of additional information, refer below :

Name of Entities	2021-22							
	Net Assets i.e. total assets minus total liabilities		Share in profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount
Parent:								
JK Files & Engineering Limited	56.04%	12,829.31	68.88%	5,871.36	175.40%	(143.16)	67.85%	5,728.20
Subsidiary:								
JK Talabot Limited (Group's Share)	5.34%	1,222.69	0.93%	79.23	-24.25%	19.79	1.17%	99.02
Scissors Engineering Products Limited (Group's Share)	0.11%	25.12	75.34%	6,421.66	0.00%	-	76.07%	6,421.66
Ring Plus Aqua Limited (Group's Share)	47.63%	10,904.23	40.47%	3,449.41	-43.16%	35.23	41.28%	3,484.64
Non Controlling Interest of JK Talabot Limited	0.59%	135.85	0.10%	8.80	-2.70%	2.20	0.13%	11.00
Non Controlling Interest of Ring Plus Aqua Limited	5.85%	1,338.05	4.97%	423.28	-5.29%	4.32	5.07%	427.60
Inter-company Elimination & Consolidation Adjustments	-15.56%	(3,563.11)	-90.69%	(7,729.99)	0.00%	-	-91.56%	(7,729.99)
Grand Total		**22,892.14**		**8,523.75**		**(81.62)**		**8,442.12**

Name of Entities	2020-21							
	Net Assets i.e. total assets minus total liabilities		Share in profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount
Parent:								
JK Files & Engineering Limited	32.88%	8,560.76	50.94%	2,448.61	62.19%	(132.02)	50.42%	2,316.59
Subsidiary:								
JK Talabot Limited (Group's Share)	9.33%	2,428.48	2.03%	97.76	16.19%	(34.37)	1.38%	63.39
Scissors Engineering Products Limited (Group's Share)	10.91%	2,841.87	-0.04%	(1.72)	0.00%	-	-0.04%	(1.72)
Ring Plus Aqua Limited (Group's Share)	53.02%	13,804.81	41.72%	2,005.53	17.65%	(37.47)	42.83%	1,968.06
Non Controlling Interest of JK Talabot Limited	1.04%	269.83	0.22%	10.86	1.80%	(3.82)	0.15%	7.04
Non Controlling Interest of Ring Plus Aqua Limited	6.51%	1,694.00	5.11%	246.10	2.17%	(4.60)	5.26%	241.50
Inter-company Elimination & Consolidation Adjustments	-13.68%	(3,563.09)		-		-		-
Grand Total		**26,036.66**		**4,807.14**		**(212.28)**		**4,594.86**

Note 45: Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Valuation of Property Plant & Equipment, intangible asset and investment property

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(iii) Wilful defaulter

None of the entities in the Group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

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

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

(vii) Utilisation of borrowed funds and share premium

The Group 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:

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

The Group 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

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

Note 46: Name change

The Board of Directors of the Company in their meeting held on September 27, 2021 approved the change in the name of the Company from JK Files (India) Limited to JK Files & Engineering Limited as approved by Ministry of Company Affairs, effective from 10th November, 2021.

Note 47: Sub-division of equity shares

The Board of Directors of the Company in its meeting held on September 27, 2021 approved sub-division of existing authorised share capital of the Company from Rs. 1,700.00 lakhs consisting of 17,000,000 equity shares of face value of INR 10 each to 85,000,000 equity shares of face value of INR 2 each and sub-division of existing issued, subscribed and paid up equity share capital of the Company from Rs. 874.07 lakhs consisting of 8,740,658 equity shares of face value of Rs. 10 each to 43,703,290 equity shares of face value of Rs. 2 each. This has been approved by the shareholders in their extra-ordinary general meeting held on October 28, 2021.

Note 48: Bonus issue of equity shares

The Board of Directors of the Company in its meeting held on September 27, 2021 approved issuance of bonus shares in the ratio of 1:5 to existing equity shareholders by capitalising a sum of Rs. 174.81 lakhs out of the reserves of the Company, pursuant to which issued, subscribed and paid-up equity share capital of the Company stands increased from Rs. 874.07 lakhs consisting of 43,703,290 equity shares of face value of INR 2 each to Rs. 1048.88 lakhs consisting of 52,443,948 equity shares of face value of INR 2 each. This has been approved by the shareholders in their extra-ordinary general meeting held on October 28, 2021.

Note 49: Business Combination

On October 31, 2021, Raymond Limited, the holding company of JK Files & Engineering Limited (the 'Company') (JKFEL) transferred by way of delivery, 100% equity share capital of SEPL to JKFEL at Nil consideration. Effective October 31, 2021, SEPL has become a wholly owned subsidiary of JK Files & Engineering Limited, by virtue of which, Ring Plus Aqua Limited (SEPL's subsidiary) became a step down subsidiary of JKFEL. Consequent to the above, SEPL group became part of JKFEL Group.

Subsequently, SEPL transferred, by way of delivery, 89.07% of equity share capital of RPAL, the then subsidiary of SEPL, at Nil consideration to the Company. Accordingly, effective November 11, 2021, RPAL has become a direct subsidiary of the Company.

The aforesaid acquisitions have been accounted as business combinations of entities under common control as per appendix C of Ind AS 103 'Business Combination', using pooling of interest method in consolidated financial statements for the year ended March 31, 2022. The effect of the said acquisition is reflected in the consolidated financial statements from April 1, 2020 and the impact of the business combination is disclosed as an adjustment to the opening other equity as at April 1, 2020.

Details of assets, liabilities and Reserve vested at their respective carrying values are as under:

Particulars	SEPL Group
Non-current assets	
Property, plant and equipment	8,884.94
Right of use assets	86.54
Capital work - in - progress	5.51
Other intangible assets	7.59
Financial assets	
- Investments	8.22
- Other financial assets	24.39
Current tax assets (net) - non-current	363.44
Other non-current assets	257.65
Current assets	
Inventories	3,305.40
Financial assets	
- Investments	1,597.43
- Trade receivables	3,097.74
- Cash and cash equivalents	405.04
- Loans	1,500.00
- Other financial assets	60.05
Other current assets	590.21
Total Assets (A)	**20,194.15**
Non-current liabilities	
Financial liabilities	
- Borrowings	35.53
Deferred tax liabilities	504.39
Current liabilities	
Financial Liabilities	
- Borrowings	1,242.97
- Trade payables	3,748.65
- Other financial liabilities	550.35
Provisions	537.24
Other current liabilities	336.58
Total Liabilities (B)	**6,955.71**
Other Equity:	
-Capital Reserve	21.81
- Employee Stock Options Reserve	53.44
- Retained Earnings	8,878.83
Total Other Equity (C)	**8,954.08**
Non Controlling Interest (D)	**1,446.26**
Capital Reserve (A - B - C - D)	**2,838.10**

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 50: Share Based Payments

A. The Company's subsidiary Ring Plus Aqua Limited has instituted Ring Plus Aqua Limited - Employee Stock Option Scheme 2019 (RPAL ESOP 2019), pursuant to the approval of the shareholders of the company at their Extra Ordinary General Meeting held on March 1, 2019. The Option Plan is designed to provide incentives to employees for long term value creation. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Once vested, the options remain exercisable for a period of one years.

Options are granted under the plan, carry no dividend or voting rights. When exercisable, each option is convertible into one equity share of face value Rs. 10 per share.

Under RPAL ESOP 2019, the RPAL has granted 111,947 stock options for fair value of option determined on the date of grant.

Set out below is a summary of options granted under the plan:

	Year ended March 31, 2022	Year ended March 31, 2021
Opening balance	1,11,947	-
Adjustment pursuant to common control business combinations (Refer Note 49)	-	1,11,947
Granted during the year	-	-
Exercised during the year	-	-
Forfeited during the year	3,715	-
Closing balance	1,08,232	1,11,947
Vested and exercisable	1,08,232	1,11,947

The model inputs for options granted included :

Date of grant	April 26, 2019
Number of options granted	111,947
Exercise price per option	Rs. 10.00
Vesting period	Over a period of 4 years from the date of initial public offering (IPO) of RPAL as under :
	40% of Options at the time of RPAL's IPO
	20% of Options after completing 1 year of RPAL's IPO
	20% of Options after completing 2 years of RPAL's IPO
	20% of Options after completing 3 years of RPAL's IPO
Exercise period	One year from the date of vesting
Expected Terms	5.9 years
Share Price at grant date	277
Expected Price volatility of the RPAL's Shares	48%
Expected dividend yield	0%
Risk-Free interest rate	7.67%

B. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at the grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The total expenses arising from share-based payments transactions recognised in profit or loss as part of employee benefit expense are as follows :

	Year ended March 31, 2022	Year ended March 31, 2021
Employee Stock Option Plan Expenses	44.98	57.21

Note 51: COVID-19 Assessment

The Group is in the business of tools & hardware and auto component. The Group's strong contingency plans are in place to secure operations and supply chain so that business operations continues.

The Group has made detailed assessments of the carrying values of all its assets as at balance sheet date and also assessed its liquidity position for the next year, and on the basis of evaluation, has concluded that it has no significant impact on its consolidated financial statements. The Group is of the view that considering the nature of its business operations, existing customer and supplier relationships and its market position, impact on its business operations, if any, arising from COVID -19 pandemic is not expected to be significant. However, the Group will continue to monitor any material changes to future economic conditions.

Note 52: The Company used to avail the exemption from preparing the consolidated financial statements as per second proviso of Rule 6 of Companies (Account) Amendment Rules, 2016 till the year ended March 31, 2021.

During the year, the Company is in the process of listing its equity securities, hence aforesaid exemption is no more available and thus Group has prepared the consolidated financial statements for the year ended March 31, 2022 (CFS) along with comparative period for the year ended March 31, 2021. The Group has applied the amendments to the Schedule III (Division II) to the Companies Act, 2013 notified on March 24, 2021 in the previous period presented consistent with the current year.

Further, the Group has already prepared the special purpose consolidated financial statements for the period ended June 30, 2021, for the purpose of proposed Initial Public Offering of the equity shares of the Company, complying with the Ind AS 101 - First-time adoption of Indian Accounting Standards.

Note 53: The Company is in process of listing its equity shares through an offer for sale, whereby Company has filed the Draft Red Herring Prospectus ('DRHP') on December 9, 2021 which was approved by the Securities and Exchange Board of India ('SEBI') on February 23, 2022.

As per our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
May 14, 2022

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 14, 2022

JK TALABOT LIMITED

ANNUAL REPORT

2021-22

BOARD OF DIRECTORS	:	SHRI SRINIVASAN GANAPATHY SHRI ARNAUD MOULIN SHRI HUKUMCHAND LAKHOTIYA *(appointed on 30.04.2021)*
STATUTORY AUDITORS	:	MESSRS. PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
INTERNAL AUDITORS	:	MESSRS. ERNST & YOUNG LLP, CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	NEW HIND HOUSE, NAROTTAM MORARJI MARG, BALLARD ESTATE, MUMBAI – 400 001 MAHARASHTRA.

JK TALABOT LIMITED
(CIN: U28930MH2005PLC154517)

DIRECTORS' REPORT

To,

The Members of JK TALABOT LIMITED

Your Directors present their **Seventeenth** Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2022.

1. FINANCIAL SUMMARY / OPERATIONAL PERFORMANCE:

Your Company manufactures files and rasps at its plant at Chiplun in Ratnagiri District, in the State of Maharashtra. During FY 2022, the Gross Sales Revenue of the company stood at Rs. 28.56 Crore (Previous Year: Rs. 20.19 Crore). The Company reported a profit after tax of Rs. 88 Lakh during FY 2022 (Previous Year: Profit Rs. 1.09 Crore).

Despite the low demand conditions globally coupled with inflationary trends, the performance of the Company during the year was good. The Company continued its initiative on improvement in productivity, quality and control on working capital.

2. Material changes and commitment – if any, affecting financial position of the Company from the end of the Financial Year till the date of this Report:

There has been no material change and commitment, affecting the financial performance of the Company which occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of this Report, except for the impact arising out of COVID-19, which is detailed below in point no. 3 of this Report.

3. COVID-19 and its impact:

Your Company is in the business of manufactures steel files and, a key supplier in tools and hardware supply chain market. Files are going to remain key and a top priority going forward as well. The Company's strong contingency plans are in place to secure operations and supply chain so that files manufacturing production continues.

The management has performed a detailed assessment for impact of ongoing COVID-19 pandemic on its business operations (including liquidity position) and concluded that no material adjustments are considered necessary in the financial statements as at March 31, 2022. Further, based on the current scenario, the management does not foresee any material impact in the subsequent periods as well.

4. DIVIDEND

In order to conserve resources, no dividend has been recommended for the FY 2021-22.

5. RESERVES

Your Company has not transferred any amount to the reserves of the Company.

6. AUDITORS

M/s. Price Waterhouse Chartered Accountants LLP (ICAI Firm Registration Number FRN: 012754N/N500016), registered with the Institute of Chartered Accountants of India, were appointed as the Statutory Auditor of the Company for the period of five consecutive years at the Annual General Meeting (AGM) of the members held on June 02, 2017 to hold office from the conclusion of the 12th Annual General meeting of the company till the conclusion of the 17th Annual General meeting at a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors.

Accordingly, M/s. Price Waterhouse Chartered Accountants LLP will cease to be the Statutory Auditors of the Company effective from the conclusion of the ensuing AGM. The Board of Directors at their meeting held on May 12, 2022 have considered the re-appointment of M/s. Price Waterhouse Chartered Accountants LLP as Statutory Auditors of the Company for a period of five consecutive years from conclusion of the ensuing AGM. Proposal relating to their re-appointment along with requite details forms part of the Notice convening the 17th AGM.

There is no audit qualification in the financial statements by the statutory auditors for the year under review.

7.1 INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new / revised standard operating procedures.

The Company has entrusted the internal and operational audit to M/s. Ernst & Young LLP, Chartered Accountants, a reputed firm of Chartered Accountants. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken.

7.2 SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

7. 3 REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

8. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2022 was **Rs. 8.05 crore.** During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2022, none of the Directors of the Company hold shares or convertible instruments of the Company.

9. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements.

11. DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Srinivasan Ganapathy (DIN No. 07379783), Director retires by rotation at the forthcoming Annual General Meeting and, being eligible offer himself for re-appointment.

During the year, Five Board Meetings were held viz. April 30, 2021, July 23, 2021, August 23, 2021, October 22, 2021 and January 08, 2022. The details of the meetings are given below:

Sr. No.	Date of Board Meeting	Name of Directors			
		Shri Arnaud Moulin	Shri Ganeshkumar Subramanian*	Shri Srinivasan Ganapathy	Shri Hukumchand Lakhotiya**
1	30/04/2021	-	✓	✓	NA
2	23/07/2021	-	✓	✓	✓
3	23/08/2021	✓	✓	✓	✓
4	22/10/2021	-	✓	✓	✓
5	08/01/2022	-	✓	✓	✓

*Shri Ganeshkumar Subramanian resigned as Director w.e.f. 31.01.2022

**Shri Hukumchand Lakhotiya appointed as Director w.e.f. 30.04.2021

12. RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review are on arm's length basis and in the ordinary course of business and that the provisions of Section 188(1) of the Companies Act, 2013 are not attracted.

13. RISK MANAGEMENT POLICY

The Company is exposed to risks from market fluctuations of foreign exchange, interest rates, commodity prices, business risks, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the risks. There are no risks which in the opinion of the Board of Directors threaten the existence of the Company.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
ii. the directors have selected such accounting policies and applied them consistently and have 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;
iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
iv. the directors have prepared the annual accounts on a going concern basis; and
v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and such systems are adequate and operating effectively

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed herewith as **"Annexure A"** to this Report.

16. ANNUAL RETURN

The details forming part of the draft Annual Return in Form MGT-7 is uploaded on the website https://jksuperdrive.com/

17. PARTICULARS OF EMPLOYEES

Since your company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2022 is not applicable.

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

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints and complied with the applicable provisions of the said Act. There were no complaints filed against any of the employees of the Company under this Act.

19. DISCLOSURES

No application has been made under the Insolvency and Bankruptcy Code. The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

20. ACKNOWLEDGEMENT

The Directors express their appreciation to all the stakeholders. The Directors also extend their appreciation to the Banks and Joint Venture Partners for their continued support and co-operation.

For and on behalf of the Board of
JK TALABOT LIMITED

Hukumchand Lakhotiya	Srinivasan Ganapathy
Director	Director
DIN: 09043106	DIN: 07379783

Date: May 12, 2022
Place: Thane

Annexure - A

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

The Information under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2021 is given here below and forms part of the Directors' Report.

A) CONSERVATION OF ENERGY :

- Under the Green Energy initiative we have installed and commissioned a "Solar Power Generation system of 100 kWp" in F.Y. 2015-16 in the premises of JK Talabot. In this financial year i.e. (FY 2021-22) we have generated Green power of 100 MWh thereby achieving a reduction of 105 MT of CO_2.
- Changed capacitor bank to maintain power factor, this helps to get the incentive of Rs. 9.77 Lacs in the FY- 2021-22
- Manual compressor balancing to power optimization, this helps to get the saving of Rs. 0.75 Lacs in the FY- 2021-22

B) TECHNOLOGY ABSORPTION, ADAPATION, INNOVATION :

a) Development in machine

Various cost saving initiatives taken by development in machine & fixtures at JKTL. This development makes the saving of Rs 4.28 in FY 2021-22.

Sr. No	Cost saving initiatives FY 21-22	Total savings (Rs. in Lacs)
1	Installation of Hydraulic power pack for Bs4 machie For 4 Pair of Bs4 Cutting Machine	0.75
2	Installation and commissioning of New JK type annealing set up to eliminate hazardous material from the process methanol & LPG to improve the safety	0.65
3	Removing VFD for auto forging machine at JKTL by Installing Digital timer	1.12
4	40w machine lamps replacing with 5w LED lights.	0.07
5	Deskilling Straightening operation before Grinding	0.75
6	Removing of Pneumatice cyclinder of auto forging by single direction stopper	0.19
7	Productivity improvement by conversion of flat cutting into Edging	0.75

b) New Product Development : Not Applicable

c) New packaging development: Not Applicable

d) **In case of imported technology** (imported during the last three years reckoned from the beginning of the financial year) - **NOT APPLICABLE**

e) **Research and Process Development: Not Applicable**

C) FOREIGN EXCHANGE EARNINGS AND OUTGO :

The Company has Rs. 5.84 Crores (Previous Year: Rs. 1.96 Crores) earnings in foreign exchange and the outgo in foreign exchange was Rs. Nil (Previous Year – Rs. NIL).

Independent Auditor's Report

To the Members of JK Talabot Limited

Report on the Audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of JK Talabot Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity 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.

2. 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 March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 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.

6. 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 financial statements

7. 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.

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

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

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

   - Conclude on the appropriateness of 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.

9. 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.

Report on other legal and regulatory requirements

10. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

11. 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.

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30 to the financial statements.

        ii. The Company has long-term contracts as at March 31, 2022 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2022.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.

        iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 39 (vi) to the financial statements);

            (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 39 (vi) to the financial statements); and

(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

12. The Company has not paid/ provided for managerial remuneration during the year. Accordingly, the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 22112433AIXUKY7196

Mumbai
May 13, 2022

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of JK Talabot Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 ("the Guidance Note") 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, 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 issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number 112433
UDIN: 22112433AIXUKY7196

Mumbai
May 13, 2022

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any Intangible assets and accordingly, reporting under this Clause is not applicable.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Notes 2(a) and 2(b) to the financial statements, are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. (a) During the year, the Company has made investment in one other party. During the year, the Company did not provide any guarantee or security or granted secured or unsecured loans or advances in nature of loan, to companies, firm, Limited Liability Partnership or any other parties.

(b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.

(c) In respect of the loans granted in the earlier years and outstanding as at the beginning of the financial year, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

(d) In respect of the loans granted in the earlier years and outstanding as at beginning of the financial year, there is no amount which is overdue for more than ninety days.

(e) Following loans were granted to same parties, which has fallen due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

Name of the parties	Aggregate amount of dues renewed or extended or settled by fresh loans (Rs. In lakhs)	Percentage of the aggregate to the total loans granted during the year
Raymond Apparel Limited	300	Not applicable, as there were no loans granted during the year.
Ray Global Consumer Trading Limited	10	Not applicable, as there were no loans granted during the year.
Raymond UCO Denim Private Limited	1,000	Not applicable, as there were no loans granted during the year.

(f) There were no loans which were granted during the year, including to promoters/related parties.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made. The Company has not provided any guarantees or security to the parties covered under Section 185 and 186 of the Companies Act, 2013.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities. Also, refer Note 30 to the financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of goods and services tax, provident fund, employees' state insurance, income tax, service tax, duty of customs, duty of excise and cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In lakhs) (net off deposits)	Period to which the amount relates	Forum where the dispute is pending
Maharashtra Value Added Tax, 2002	Value added tax	43.08	2006-07	Maharashtra Sales Tax Tribunal (Appeals)

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short term basis.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, 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.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle- blower complaints have been received during the year by the Company. Accordingly, the reporting under Clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the reporting under Clause 3(xiii) of the Order are not applicable to the Company.

xiv. The Company is not mandated to have an internal audit system during the year.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under Clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order 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, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under Clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under Clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 37 to the financial statements), 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 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number 112433
UDIN: 22112433AIXUKY7196

Mumbai
May 13, 2022

JK Talabot Limited
Balance Sheet as at 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	As at 31st March, 2022	As at 31st March, 2021
I	**ASSETS**			
1	**Non-current assets**			
	(a) Property, Plant and Equipment	2(a)	616.76	620.97
	(b) Right-of-Use Assets	2(b)	15.93	16.12
	(c) Capital work-in-progress	2(c)	8.62	18.38
	(d) Financial Assets			
	(i) Other Financial Assets	3	2.58	2.58
	(e) Non Current Tax Assets (Net)		43.15	32.66
	(f) Other non - current assets	4	30.42	3.07
	Total Non-Current Assets		**717.46**	**693.78**
2	**Current assets**			
	(a) Inventories	5	270.00	214.64
	(b) Financial Assets			
	(i) Investments	6	-	143.17
	(ii) Trade receivables	7	714.38	618.97
	(iii) Cash and cash Equivalents	8	70.46	52.54
	(iv) Loans	9	-	1,310.00
	(v) Other Financial Assets	10	0.12	15.88
	(c) Other current assets	11	35.56	21.58
	Total Current Assets		**1,090.52**	**2,376.78**
	TOTAL ASSETS		**1,807.98**	**3,070.56**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	12	805.44	805.44
	(b) Other equity	13	553.10	1,892.87
	TOTAL EQUITY		**1,358.54**	**2,698.31**
	LIABILITIES			
2	**Non-current liabilities**			
	(a) Deferred tax liabilities (Net)	26	5.06	4.93
	Total Non-Current Liabilities		**5.06**	**4.93**
3	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Trade payables	14		
	(a) total outstanding dues of micro and small enterprises		7.75	2.15
	(b) total outstanding other than (i) (a) above		139.75	143.63
	(ii) Other financial liabilities	15	237.60	99.71
	(b) Provisions	16	40.24	103.91
	(c) Other current liabilities	17	19.04	17.92
	Total Current Liabilities		**444.38**	**367.32**
	TOTAL LIABILITIES		**449.44**	**372.25**
	TOTAL EQUITY AND LIABILITIES		**1,807.98**	**3,070.56**

The accompanying notes (1 to 42) are an integral part of financial statements

As per our attached report of even date

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number - 112433

Hukumchand Lakhotiya
Director
DIN: 09043106

Srinivasan Ganapathy
Director
DIN: 07379783

Mumbai
Date: May 13, 2022

Mumbai
Date: May 13, 2022

JK Talabot Limited
Statement of Profit and Loss for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	Year ended 31st March, 2022	Year ended 31st March, 2021
I	**Revenue from Operations**	18	2,856.31	2,019.03
II	**Other Income**	19	77.90	131.35
III	**Total Income (I + II)**		**2,934.21**	**2,150.38**
IV	**Expenses**			
	Cost of materials consumed	20	889.91	609.78
	Changes in inventories of work-in progress and finished goods	21	(7.98)	(54.12)
	Employee benefits expense	22	796.79	545.97
	Finance costs	23	0.23	1.01
	Depreciation and amortization expense	24	60.32	68.72
	Other expenses	25	1,083.80	834.71
	Total expenses (IV)		**2,823.07**	**2,006.07**
V	**Profit before tax (III -IV)**		**111.14**	**144.31**
VI	**Tax expense**	26		
	Current tax		22.98	34.09
	Deferred tax		0.13	1.59
	Total Tax expenses (VI)		**23.11**	**35.68**
VII	**Profit for the year (V- VI)**		**88.03**	**108.63**
VIII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	27	27.73	(49.91)
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	26	(5.74)	11.72
	Other Comprehensive Income for the year		**21.99**	**(38.19)**
IX	**Total Comprehensive Income for the year (VII + VIII)**		**110.02**	**70.44**
X	**Earnings per equity share of Rs. 10 each :**	28		
	Basic & Diluted (in Rs.)		1.09	1.35

The accompanying notes (1 to 42) are an integral part of financial statements

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number - 112433

Mumbai
Date: May 13, 2022

For and on behalf of the Board of Directors

Hukumchand Lakhotiya
Director
DIN: 09043106

Srinivasan Ganapathy
Director
DIN: 07379783

Mumbai
Date: May 13, 2022

JK Talabot Limited
Statement of Changes in Equity for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

A. EQUITY SHARE CAPITAL

Particulars	Amount
Balance as at 1st April, 2020	**805.44**
Changes in Equity Share Capital during the year	-
Balance as at 31st March, 2021	**805.44**
Balance as at 1st April, 2021	**805.44**
Changes in Equity Share Capital during the year	-
Balance as at 31st March, 2022	**805.44**

B. Other Equity

Particulars	Reserves and Surplus
	Retained Earnings
Balance as at 1st April, 2020	**1,822.43**
Profit for the year	108.63
Remeasurement of defined benefit obligation, net of tax	(38.19)
Total Comprehensive Income for the year	**70.44**
Balance as at 31st March, 2021	**1,892.87**
Profit for the year	88.03
Remeasurement of defined benefit obligation, net of tax	21.99
Total Comprehensive Income for the year	**110.02**
Interim Dividend	**(1,449.79)**
Balance as at 31st March, 2022	**553.10**

The accompanying notes (1 to 42) are an integral part of financial statements

As per our attached report of even date

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number - 112433

Hukumchand Lakhotiya
Director
DIN: 09043106

Srinivasan Ganapathy
Director
DIN: 07379783

Mumbai
Date: May 13, 2022

Mumbai
Date: May 13, 2022

JK Talabot Limited
Statement of Cash Flow for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Particulars	**Year ended 31st March, 2022**		**Year ended 31st March, 2021**	
A. Cash Flow from Operating Activities				
Profit before tax as per statement of profit and loss		111.14		144.31
Adjustment for :				
Depreciation	60.32		68.72	
Interest income	(57.04)		(119.52)	
Net gain on sale / fair valuation of investments	(13.76)		(8.70)	
Unrealised (Loss)/Gain on foreign exchange fluctuations	0.47		1.54	
Remeasurements of net defined benefit plans	27.73		(49.91)	
Finance Costs	0.23	17.95	0.58	(107.29)
Operating Profit Before Working Capital Changes		129.09		37.02
Adjustment for :				
(Increase) in Inventories	(55.36)		(69.08)	
(Increase) in Trade and Other Receivables	(137.21)		(162.72)	
Increase in Trade Payables and Other Current Liabilities	145.04		2.86	
Increase / (Decrease) in Provision	(63.67)		57.69	
		(111.20)		(171.25)
Cash (used in) / generated from Operations		17.89		(134.23)
Less : Direct Taxes Paid (net of refunds)		(39.20)		48.82
Net cash used in operating activities		**(21.31)**		**(85.41)**
B. Cash Flow from Investing Activities				
Inflows				
Inter Corporate Deposit repayment from group companies		1,310.00		-
Proceeds from sale of current investments		156.93		-
Interest received		72.80		123.61
Proceeds from sale of property, plant & equipment		-		54.27
		1,539.73		177.88
Outflows				
Loans provided to related party		-		(10.00)
Purchase of property, plant & equipment		(50.48)		(17.28)
		(50.48)		(27.28)
Net cash generated from investing activities		**1,489.25**		**150.60**
C. Cash Flow from Financing Activities				
Outflows				
Interest Paid		(0.23)		(0.58)
Short term borrowing net		-		(12.76)
Interim Dividend Paid		(1,449.79)		-
Net cash (used in) financing activities		**(1,450.02)**		**(13.34)**
Net Increase in Cash and Cash Equivalents (A+B+C)		17.92		51.85
Add :Cash and Cash Equivalents at the beginning of the financial Year		52.54		0.69
Cash and Cash Equivalents as at the end of the Year		**70.46**		**52.54**

Reconcilation of Cash and Cash Equivalents as per Cash Flow Statement	**Year ended 31st March, 2022**	**Year ended 31st March, 2021**
Cash and Cash Equivalent as per above comprise of the following		
Cash and Cash Equivalent (Refer note 8)	70.46	52.54
Balance as per Statement of Cash Flows	**70.46**	**52.54**

Note
1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cashflows.

The accompanying notes (1 to 42) are an integral part of financial statements

As per our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number - 112433

Mumbai
Date: May 13, 2022

For and on behalf of the Board of Directors

Hukumchand Lakhotiya
Director
DIN: 09043106

Srinivasan Ganapathy
Director
DIN: 07379783

Mumbai
Date: May 13, 2022

1(a) STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES :

I. Background and Operations

JK Talabot Limited incorporated in India having registered office at Mumbai and Manufacturing facilitiy at Chiplun. The Company deal in Engineering tools.

II. Significant accounting policies

(a) Basis of preparation of Financial Statements

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statement.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities that is measured at fair value;
2) defined benefit plans - plan assets measured at fair value;

(iii) New and amended standards adopted by the Company

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2021:
1) Extension of COVID-19 related concessions - amendments to Ind AS 116
2) Interest rate benchmark reform - amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in current and prior periods and are not expected to significantly affect the future periods.

(iv) New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

(v) Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1 April 2021.
Consequent to above, the Company has changed the classification/presentation of security deposits, in the current year.
Security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'other financial assets line item. Previously, these deposit were included in 'loans' line item.
The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

Balance Sheet	31st March 2021 (as previously reported)	Increase / (Decrease)	31st March 2021 (restated)
Loans (non-current)	2.58	(2.58)	-
Other financial assets (non-current)	-	2.58	2.58

(vi) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the normal operating cycle (twelve months) and other criteria set out in the Schedule III (Division II) to the Act.

(vii) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III (Division II), unless otherwise stated.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.
The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company 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 the Statement of Profit and Loss during the reporting period in which they are incurred.

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on Factory Buildings and Plant and Equipment is provided on a straight line method and in case of other assets on written down value method, net of their residual values, over the estimated useful lives of assets. Leasehold land is amortised over the period of lease.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery, useful life for which is based on an independent technical evaluation has been estimated as 24 years from the date of acquisition (on a single shift basis), which is different from that prescribed in Schedule II of the Act.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Class of Asset	Useful life
Buildings	60 years
Plant and machinery	24 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computers	3 years

(d) Lease

Leases are recognised as a right-of-use asset ("ROU")and a corresponding lease liability at the date at which leased asset is available for use by the company for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases)and leases of low value assets. For these short term leases and leases of low value assets, the company recognises the lease payments as an expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and restoration costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments which includes principal and finance cost component. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

To determine the incremental borrowing rate, the company where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or 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. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the company recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss.

(e) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(f) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and certain cash credit facilities that form an integral part of the company's cash management.

(g) Inventories

Inventories of raw materials, stores and spares, work-in-progress, and finished goods are stated at cost or net realisable value, whichever is lower. Cost of raw materials comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost formula used is 'Weighted Average cost'. Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc. Net realisable 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.

(h) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.
They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(j) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and

* those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. The company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition

Financial assets are initially recognised when the Company becomes party to the contractual provisions of the instrument.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

* Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / other expenses. Impairment losses are presented as separate line item in the statement of profit and loss.

* Fair value through profit and loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net with other income / other expenses in the year in which it arises.

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Note 33 details how the company determines whether there has been a significant increase in credit risk.

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

(vi) Derecognition of financial assets

A financial asset is derecognised only when:

• the company has transferred the rights to receive cash flows from the financial asset or

• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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

(k) Provisions and contingent liabilities

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense in Statement of Profit and loss.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote.

Contingent assets are not recognized in the financial statements unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

(l) Revenue recognition

Revenue with Contracts with Customers

Sales are recognised when the control of the goods has been transferred to customer which is generally on delivery of goods and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, risk of obsolescence and loss have been transferred to the customer and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the company has objective evidence that all criteria for the acceptance have been satisfied.
A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Other operating revenue - Export incentives

Export Incentives under the, "Duty Draw back Scheme", "Merchandise Export from India Scheme", "RODTEP" etc. is accounted in the year of export.

(m) Employee benefits

(i) Post-employment obligations

Defined Benefit Plan

The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by actuary 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 employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised 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 as calculated by actuary are recognised immediately in the Statement of Profit and Loss as past service cost.

(ii) Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b)when the company recognises costs for restructuring that is within the scope of Ind AS37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(iii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iv) Short-term Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised 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.

(v) Defined Contribution Plans

The Company pays provident fund contributions etc. to publicly administered provident and other funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are incurred.

(n) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is JK Talabot Limited's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(o) Income tax

The income tax expense or credit for the year is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defer income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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 off set where the company 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.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

(p) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(q) Impairment of non-financial assets:

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1(b) Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimtes or judgement is:

- Estimation of Defined benefit obligation - Measurement of defined benefit obligation and related plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality. (Refer Note 27).
- Inventory write down - Inventory write downs are assessed based on slow-moving, non-moving and defective inventories considering various factors such as likely usage, obsolescence etc. (Refer Note 5)
- Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-2(a) Property, Plant and Equipment

	Buildings	Plant & Equipment	Furniture & fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying Amount							
Balance as at 1st April, 2020	**363.01**	**858.35**	**2.26**	**1.55**	**5.89**	**5.16**	**1,236.22**
Additions	-	72.73	1.07	-	-	-	**73.80**
Disposals	-	54.27	-	-	-	-	**54.27**
Balance as at 31st March, 2021	**363.01**	**876.81**	**3.33**	**1.55**	**5.89**	**5.16**	**1,255.75**
Additions	26.33	29.47	-	-	-	0.12	**55.92**
Disposals	2.66	-	-	-	-	-	**2.66**
Balance as at 31st March, 2022	**386.68**	**906.28**	**3.33**	**1.55**	**5.89**	**5.28**	**1,309.01**
Accumulated Depreciation							
Balance as at 1st April, 2020	**73.65**	**484.07**	**1.39**	**1.32**	**2.32**	**3.50**	**566.25**
Charge for the year	15.97	51.61	0.13	0.07	0.75	-	**68.53**
Disposals	-	-	-	-	-	-	**-**
Balance as at 31st March, 2021	**89.62**	**535.68**	**1.52**	**1.39**	**3.07**	**3.50**	**634.78**
Charge for the year	16.83	41.92	0.35	0.01	0.41	0.61	**60.13**
Disposals	2.66	-	-	-	-	-	**2.66**
Balance as at 31st March, 2022	**103.79**	**577.60**	**1.87**	**1.40**	**3.48**	**4.11**	**692.25**
Net carrying amount							
Balance as at 31st March, 2021	**273.39**	**341.13**	**1.81**	**0.16**	**2.82**	**1.66**	**620.97**
Balance as at 31st March, 2022	**282.89**	**328.68**	**1.46**	**0.15**	**2.41**	**1.17**	**616.76**

NOTE:
1) Refer note 29 for information on Property Plant and Equipment pledged as security by the company.
2) Refer Note 31 for disclosure of contractual commitments for acquisition of Property, Plant and Equipment
3) The Company has not revalued its property, plant and equipment during the current or previous year.
4) The title deeds of all the immovable properties are held in the name of the company.

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 2(b)- Leases

(i) Amounts recognised in balance sheet
The balance sheet shows the following amounts relating to leases:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Right-of-use assets		
Lease hold Land	15.93	16.12
Total	**15.93**	**16.12**

Lease liabilities:
Lease liabilities: In case of leasehold land, upfront lease premium had been paid at the time of execution of the lease deed, hence there are no future lease liabilities.

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

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

Particulars	Note	Year ended 31st March, 2022	Year ended 31st March, 2021
Depreciation charge of right-of-use assets			
Lease hold Land	24	0.19	0.19
Total		**0.19**	**0.19**

NOTE:
1) The Company has not revalued its Right-of-use asset during the current or previous year.
2) The title deeds of all the immovable properties are held in the name of the company.

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 2 (c) Capital work - in - progress schedule

	CWIP
Balance as at 1st April, 2020	**71.03**
Additions	21.15
Capitalisation	73.80
Balance as at 31st March, 2021	**18.38**
Additions	46.16
Capitalisation	55.92
Balance as at 31st March, 2022	**8.62**

Capital work - in - progress ageing schedule

As at 31st March, 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	8.62	-	-	-	8.62

As at 31st March, 2021

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	13.73	4.65	-	-	18.38

Note:

1) Actual cost of capital projects in progress has not exceeded the estimated cost and the actual timelines for completion of projects has not exceeded the estimated timelines in respect of the amounts reported above, as at the end of each reporting period. Accordingly, completion schedule is not presented.

2) Capital work in progress majorly comprises of machinery which are pending installation.

Note-3 Other Financial Assets

	As at 31st March, 2022	As at 31st March, 2021
Security Deposits	2.58	2.58
Total	**2.58**	**2.58**

Note-4 Other non - current assets

	As at 31st March, 2022	As at 31st March, 2021
Balances with Government Authorities	5.07	1.83
Capital advances	25.35	1.24
Total	**30.42**	**3.07**

Note-5 Inventories
(Cost or Net Realisable Value, whichever is lower)

	As at 31st March, 2022	As at 31st March, 2021
Raw Materials	126.02	73.88
Work-in-progress	84.89	87.32
Finished goods	39.73	29.32
Stores and Spares	19.36	24.12
Total	**270.00**	**214.64**

Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Write back of Rs.14.63 Lakhs during the year (Previous Year write-down Rs 5.09 Lakhs). These write downs were recognised as expenses and included in 'Raw material consumed', 'changes in value of inventories of finished goods and work - in- progress' and 'consumption of stores and spares' in the statement of Profit and Loss.

Note-6 Current investments

	As at 31st March, 2022	As at 31st March, 2021
Investments in Mutual Fund		
Unquoted		
Nil (31st March, 2021 : 5,412.5550) Units of UTI Treasury Advantage Fund Growth Plan	-	143.17
Total	**-**	**143.17**
Aggregate amount of Unquoted Investment	**-**	**143.17**

Refer Note - 32 and 33 for information about Fair value measurement, credit risk and market risk of investments.

Note-7 Trade receivables

	As at 31st March, 2022	As at 31st March, 2021
Trade receivables - Others	-	-
Receivables from related parties	714.38	618.97
Less : Loss allowance	-	-
Total Receivables	**714.38**	**618.97**

Break-up of security details

	As at 31st March, 2022	As at 31st March, 2021
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	714.38	618.97
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	**714.38**	**618.97**
Loss allowance	-	-
Total	**714.38**	**618.97**

Trade Receivables Ageing Schedule

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March, 2022	475.44	238.94	-	-	-	-	714.38
As at 31st March, 2021	414.01	204.96	-	-	-	-	618.97

There are no disputed trade receivables

Note-8 Cash and cash equivalents

	As at 31st March, 2022	As at 31st March, 2021
Cash on hand	0.46	0.46
Balances with Banks		
-In current accounts	20.00	27.08
-In deposit accounts	50.00	25.00
Total	**70.46**	**52.54**

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

Note-9 Loans
(Unsecured, considered good)

	As at 31st March, 2022	As at 31st March, 2021
Loans to related parties (Refer Note 36)	-	1,310.00
Total	**-**	**1,310.00**

Refer Note - 33 for information about credit and market risk for loans

Note :
(i) Disclosure as per section 186(4) of the Act.

Particulars	Rate of Interest	As at 31st March, 2022	As at 31st March, 2021
Raymond Apparel Limited	8.50%	-	300.00
Raymond UCO Denim Limited	8.50%	-	1,000.00
Ray Global Consumer Trading Limited	8.50%	-	10.00
Total Loans to related parties		-	1,310.00

The loans have been utilised by the borrowers for meeting their working capital requirement

(ii) There are no loans or advances in the nature of loans outstanding as at March 31, 2022 and March 31, 2021 granted to promoters, directors, key managerial personnels and other related parties, which are repayable on demand or granted without specifying any terms or period of repayment.

(iii) Break-up of security details

	As at 31st March, 2022	As at 31st March, 2021
Loans considered good - Secured	-	-
Loans considered good - Unsecured	-	1,310.00
Loans which have significant increase in credit risk	-	-
Loans credit impaired	-	-
Total	**-**	**1,310.00**

Note-10 Other Financial Assets

	As at 31st March, 2022	As at 31st March, 2021
Interest Accrued	0.12	15.88
Total	**0.12**	**15.88**

Note-11 Other current assets

	As at 31st March, 2022	As at 31st March, 2021
Export benefit receivables	11.50	7.29
GST Receivable	1.44	0.93
Advances to Suppliers	3.28	4.94
Prepaid expenses	5.88	6.54
Other receivables	13.46	1.88
Total	**35.56**	**21.58**

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-12-Equity Share capital

	As at 31st March, 2022	As at 31st March, 2021
Authorised		
1,00,00,000 [31st March, 2021: 1,00,00,000] Equity Shares of Rs. 10 each	1,000.00	1,000.00
	1,000.00	**1,000.00**
Issued, subscribed and fully paid up		
80,54,372 [31st March, 2021: 80,54,372] Equity Shares of Rs. 10 each	805.44	805.44
	805.44	**805.44**

a) Reconciliation of number of shares

	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	**Amount**	**Number of shares**	**Amount**
Equity Shares :				
Balance as at the beginning of the year	80,54,372	805.44	80,54,372	805.44
Balance as at the end of the year	**80,54,372**	**805.44**	**80,54,372**	**805.44**

b) Right, Preference and Restrictions attached to Equity Shares:
The Company has only one class of equity shares having par value of Rs.10 per share. Each Shareholder is entitled to one vote per share. In the event of liquidation of the Company the holder of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential payments. However, no such preferential amount exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares of the company held by holding company

	As at 31st March, 2022	As at 31st March, 2021
JK Files & Engineering Limited (Formerly known as JK Files (India) Limited), India (in Nos.)	72,48,936	72,48,936

d) Details of equity shares held by shareholders holding more than 5% shares in the Company

	As at 31st March, 2022		As at 31st March, 2021	
NAME OF SHAREHOLDERS	**Number of shares**	**% of Holding**	**Number of shares**	**% of Holding**
JK Files & Engineering Limited (Formerly known as JK Files (India) Limited), India	72,48,936	90%	72,48,936	90%
MOB Mondellin SAS, France	8,05,436	10%	8,05,436	10%

e) Disclosure of Shareholding of Promoters
Since all the shares of the Company are held by its promoters JK Files & Engineering Limited (Formerly known as JK Files (India) Limited) and MOB Mondelin SAS and there being no changes in such shareholding as at the end of the each year referred in 12 d) above, hence no separate disclosure is required in respect of 'Disclosure of Shareholding of Promoters'.

f) During the five years immediately preceding the reporting date, no shares have been bought back nor had the Company issued any bonus shares or any shares for consideration other than cash

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

Note-13-Other Equity

Particulars	Reserves and Surplus
	Retained Earnings
Balance as at 1st April, 2020	**1,822.43**
Profit for the year	108.63
Remeasurement of defined benefit obligation, net of tax	(38.19)
Total Comprehensive Income for the year	**70.44**
Balance as at 31st March, 2021	**1,892.87**
Profit for the year	88.03
Remeasurement of defined benefit obligation, net of tax	21.99
Total Comprehensive Income for the year	**110.02**
Interim Dividend	**(1,449.79)**
Balance as at 31st March, 2022	**553.10**

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

Note-14 Trade payables

	As at 31st March, 2022	As at 31st March, 2021
Trade payables (Refer Note below)		
Micro and small enterprises	7.75	2.15
Others	139.75	143.42
Related parties (Refer note -36)	-	0.21
Total	**147.50**	**145.78**

Refer Note-33 for information about liquidity risk and market risk of trade payables.

Trade Payables Ageing Schedule

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March, 2022							
(i) Micro enterprises and small enterprises	-	7.75	-	-	-	-	**7.75**
(ii) Others	34.54	77.62	27.58	-	-	-	**139.75**
Total	**34.54**	**85.37**	**27.58**	**-**	**-**	**-**	**147.50**
As at 31st March, 2021							
(i) Micro enterprises and small enterprises	-	2.15	-	-	-	-	**2.15**
(ii) Others	52.57	49.71	41.35	-	-	-	**143.63**
Total	**52.57**	**51.86**	**41.35**	**-**	**-**	**-**	**145.78**

There are no disputed trade payables

Note :
DUES TO MICRO AND SMALL ENTERPRISES
The disclosure pursuant to Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are as follows.

	As at 31st March, 2022	As at 31st March, 2021
Principal amount due to suppliers registered under MSME Act and remaining unpaid as at period end	7.75	1.72
Interest due thereon to suppliers registered under the MSMED Act and remaining unpaid as at the period end	-	0.03
Principal Amounts paid to suppliers registered under the MSMED Act, beyond the appointed date during the period	-	24.04
Interest paid, other than under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-
Interest paid, under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed date during the period	0.43	-
Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act	-	0.40
Interest accrued and remanining unpaid at the end of each accounting period	-	0.43
Amount of further interest remaining due and payable even in the succeeding periods, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of deductible expnediture under section 23 of the MSMED Act	-	-

Note-15 - Other current financial liabilities

	As at 31st March, 2022	As at 31st March, 2021
Employee Benefits Payable	207.17	84.83
Capital Creditors	-	4.32
Other payables	30.43	10.56
Total	**237.60**	**99.71**

Refer Note-33 for information about liquidity risk and market risk of financial liabilities.

Note-16 Provisions

	As at 31st March, 2022	As at 31st March, 2021
Provision for employee benefits (Refer note -27)		
-Gratuity	-	63.73
-Compensated absences	40.24	40.18
Total	**40.24**	**103.91**

Note-17 - Other Current liabilities

	As at 31st March, 2022	As at 31st March, 2021
Contract Liabilities	-	3.21
Statutory Dues payable	19.04	14.71
Total	**19.04**	**17.92**

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

Note-18 Revenue from Operations

	Year ended 31st March, 2022	Year ended 31st March, 2021
Revenue from Contract with Customers (Sale of Products)		
(i) Manufactured goods - Domestic	2,210.11	1,780.22
(ii) Manufactured goods - Export	584.08	196.03
Total (A)	**2,794.19**	**1,976.25**
Other operating revenue		
(i) Export Incentives	14.24	6.50
(ii) Process waste sale	47.88	36.28
Total (B)	**62.12**	**42.78**
Total (A+B)	**2,856.31**	**2,019.03**

Notes:
(i) Disaggregation of revenue from contracts with customers:
The Company derives revenue from the transfer of goods and services in the following geographical regions:

	Year ended 31st March, 2022	Year ended 31st March, 2021
India	2,210.11	1,780.22
Latin America	1.49	3.81
Europe	582.59	192.22
	2,794.19	**1,976.25**

The Company derives revenue from the transfer of following goods and services:

	Year ended 31st March, 2022	Year ended 31st March, 2021
Files	2,794.19	1,976.25
	2,794.19	**1,976.25**

Note-19 Other income

	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest income		
- On financial assets at amortised cost	56.04	112.63
- On Income Tax Refund	1.00	6.89
Net gain on sale / fair valuation of investments	13.76	8.70
Miscellaneous Income	7.10	3.13
Total	**77.90**	**131.35**

Note-20 Cost of materials consumed

	Year ended 31st March, 2022	Year ended 31st March, 2021
Raw material at the beginnning of the year	73.88	60.28
Purchases	942.05	623.38
Less : Raw material at the end of the year	126.02	73.88
Total	**889.91**	**609.78**

Note-21 Changes in inventories of work-in-progress and finished goods

	Year ended 31st March, 2022	Year ended 31st March, 2021
Opening inventories		
Work-in-progress	87.32	55.41
Finished goods	29.32	7.11
	116.64	**62.52**
Closing inventories		
Work-in-progress	84.89	87.32
Finished goods	39.73	29.32
	124.62	**116.64**
Total	**(7.98)**	**(54.12)**

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

Note-22 **Employee benefits expense**

	Year ended 31st March, 2022	Year ended 31st March, 2021
Salaries, wages, bonus etc	674.96	457.30
Contribution to Gratuity Funds (Refer note -27)	27.73	14.86
Contribution to provident funds and other funds (Refer note -27)	40.08	35.80
Workmen and Staff welfare expenses	54.02	38.01
Total	**796.79**	**545.97**

Note-23 **Finance costs**

	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest expense	0.23	0.58
Interest expense - Others	-	0.43
Total	**0.23**	**1.01**

Note-24 **Depreciation and amortization expense**

	Year ended 31st March, 2022	Year ended 31st March, 2021
Depreciation on property, plant and equipment	60.13	68.53
Depreciation on Right of Use Asset	0.19	0.19
Total	**60.32**	**68.72**

Note-25 **(a) Manufacturing and Operating Costs**

	Year ended 31st March, 2022	Year ended 31st March, 2021
Consumption of stores and spare parts	248.11	189.09
Power and fuel	308.39	266.55
Job work charges	170.03	114.02
Repairs to buildings	20.58	11.02
Repairs to machinery	37.60	33.27
Payment to labour contractor	147.34	105.64
Other Manufacturing and Operating expenses	37.18	22.91
Total (A)	**969.23**	**742.50**

Note-25 **(b) Other expenses**

	Year ended 31st March, 2022	Year ended 31st March, 2021
Insurance	9.83	5.74
Repairs & Maintenance Others	8.43	7.63
Rates and Taxes	2.06	1.61
Advertisement Expenses	0.03	0.02
Freight, Octroi, etc	9.57	7.86
Legal and Professional Expenses	9.59	8.62
IT outsourced Support Services	11.53	12.58
Travelling & Conveyance	4.58	1.37
Net loss on foreign exchange fluctuations	4.71	0.14
Security Charges	16.53	12.79
Miscellaneous Expenses	37.71	33.85
Total (B)	**114.57**	**92.21**
Total (A + B)	**1,083.80**	**834.71**

Note-25 **(c) Details of Auditor's remuneration included in Legal and Professional expenses (net of credit of taxes)**

	Year ended 31st March, 2022	Year ended 31st March, 2021
a. Audit Fees	2.50	2.00
b Reimbursement of out-of-pocket expenses	-	-
Total	**2.50**	**2.00**

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 26 (a) : Income Taxes

Tax expense recognised in the Statement of Profit and Loss

	Year ended 31st March, 2022	Year ended 31st March, 2021
Current tax		
Current tax on taxable income for the year	22.98	34.09
Total current tax	**22.98**	**34.09**
Deferred tax		
Deferred tax charge/(credit)	0.13	1.59
Total deferred tax	**0.13**	**1.59**
Total tax expense	**23.11**	**35.68**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

Reconciliation of effective tax rate	Year ended 31st March, 2022	Year ended 31st March, 2021
Profit before tax	**111.14**	**144.31**
Applicable income tax rate	**25.17%**	**25.17%**
Tax Expense at applicable income tax rate	**27.97**	**36.32**
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income	-	0.21
Differential tax rate in respect of capital gains	(6.36)	-
Others	1.50	(0.85)
Tax Expense Recognised in Statement of Profit and Loss	**23.11**	**35.68**

Consequent to reconciliation items shown above, the effective tax rate is 20.80% (2020-21:24.72%)

The movement in deferred tax assets and liabilities during the year ended March 31, 2021 and March 31, 2022

	As at 31st March, 2020	Credit/(charge) in statement of Profit and Loss	As at 31st March, 2021	Credit/(charge) in statement of Profit and Loss	As at 31st March, 2022
Deferred tax assets on account of:					
Amounts allowable for tax purpose on payment basis	17.49	2.87	20.36	1.10	21.46
Deferred tax (liabilities) on account of:					
Property plant and equipment and Right of Use Assets	(19.82)	(2.27)	(22.09)	(4.43)	(26.52)
Investment in mutual fund	(1.01)	(2.19)	(3.20)	3.20	-
Total	**(3.34)**	**(1.59)**	**(4.93)**	**(0.13)**	**(5.06)**

Note 26 (b): Non Current Tax Assets (Net)

	As at 31st March, 2022	As at 31st March, 2021
Non Current tax assets (net of provision of Rs. 647.17 Lakhs (March 31, 2021: Rs. 618.47 Lakhs)	43.15	32.66
	43.15	**32.66**

Note 27: Post retirement benefit plans

(i) Defined benefits plan - Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a ceiling of Rs. 20 lakhs. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

As per Actuarial Valuation as on 31st March, 2022 amount recognised in the financial statements in respect of Employee Benefit Schemes:

A. Balance Sheet

	Gratuity	
	As at 31st March, 2022	**As at 31st March, 2021**
Present value of plan liabilities	(231.44)	(229.21)
Fair value of plan assets	236.38	165.48
Net plan assets / (liabilities) *	**4.94**	**(63.73)**

*Surplus of assets over liabilities has not been recognised on the basis that future economic benefits are not available to the Company in the form of a reduction in future contributions or cash refunds.

B. Movements in plan assets and plan liabilities

	As at 31st March, 2022			As at 31st March, 2021		
	Plan liabilities	**Plan Assets**	**Net**	**Plan liabilities**	**Plan Assets**	**Net**
As at beginning of the year	**(229.21)**	**165.48**	**(63.73)**	**(156.19)**	**139.21**	**(16.98)**
Current service cost (including past service cost)	(18.36)	-	(18.36)	(13.70)	-	(13.70)
Interest (cost) / income	(15.95)	11.52	(4.43)	(10.65)	9.49	(1.16)
Remeasurements:						
Return on plan assets excluding actual return on plan asset	-	(0.34)	(0.34)	-	(0.20)	(0.20)
Gain/(loss) arising from changes in financial assumptions	10.39	-	10.39	5.79	-	5.79
Gain/(loss) arising from experience adjustments	17.75	-	17.75	(55.50)	-	(55.50)
Actuarial Gains / (loss) arising from changes in demographic assumptions	(0.07)	-	(0.07)	-	-	-
Employer contributions	-	63.73	63.73	-	16.98	16.98
Benefit Paid Directly by the Employer	-	-	-	1.04	-	1.04
Benefit Paid from the Fund	4.01	(4.01)	-	-	-	-
As at end of the year	**(231.44)**	**236.38**	**4.94**	**(229.21)**	**165.48**	**(63.73)**

The liabilities are split between different categories of plan participants as follows:
• Active members - 176 (2020-21: 179)
• Deferred members - Nil (2020-21: Nil)
• Retired members - Nil (2020-21: Nil)
The weighted average duration of the defined benefit obligation is 19 years (2020-21 : 20 years)

C. The Company expects to contribute Rs 12.29 lakh to the funded plans in financial year 2021-22 (2020-21: Rs. 31.66 lakh) for gratuity

D. Statement of Profit and Loss

	Year ended 31st March, 2022	**Year ended 31st March, 2021**
Employee Benefit Expenses:		
Current service cost (including past service cost)	18.36	13.70
Interest cost	4.43	1.16
Asset / (Liability) recognised in Balance sheet *	4.94	-
Net impact on the Profit / (Loss) before tax	**27.73**	**14.86**

*Surplus of assets over liabilities has not been recognised on the basis that future economic benefits are not available to the Company in the form of a reduction in future contributions or cash refunds.

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

	Year ended 31st March, 2022	Year ended 31st March, 2021
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding actual return on plan asset	(0.34)	(0.20)
Actuarial gains/(losses) arising from changes in demographic assumptions	(0.07)	-
Actuarial gains / (losses) arising from changes in financial assumptions	10.39	5.79
Actuarial gains / (losses) arising from experience adjustments	17.75	(55.50)
Net impact on the Other Comprehensive Income before tax	**27.73**	**(49.91)**

E. Assets

	Gratuity	
	As at 31st March, 2022	As at 31st March, 2021
Insurer managed fund	236.38	165.48
Total	**236.38**	**165.48**

F. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.
The significant actuarial assumptions were as follows:

	As at 31st March, 2022	As at 31st March, 2021
Financial Assumptions		
Discount rate	7.35%	6.96%
Salary Escalation Rate	7.50%	4%~6%
Attrition rate	2.00%	2.00%
Return on plan assets	7.35%	6.96%

Demographic Assumptions
Mortality in Service : Indian Assured Lives Mortality 2012-14 (Urban) table (2020-21 :Mortality in Service : Indian Assured Lives Mortality (2006-08) Ultimate table.)

G. Sensitivity
The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	As at 31st March, 2022			As at 31st March, 2021		
	Change in assumption	Increase in assumption having an impact on present value of plan liability	Decrease in assumption having an impact on present value of plan liability	Change in assumption	Increase in assumption having an impact on present value of plan liability	Decrease in assumption having an impact on present value of plan liability
Discount rate	1%	(35.45)	44.04	1%	(36.46)	45.67
Salary Escalation Rate	1%	43.52	(35.71)	1%	45.12	(36.72)
Attrition rate	1%	(0.66)	0.77	1%	(2.23)	2.65

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected unit credit method) used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

H. The defined benefit obligations shall mature after period end 31st March, 2022 as follows:

Gratuity :	As at 31st March, 2022	As at 31st March, 2021
1st Year	4.82	6.32
2nd Year	6.78	4.75
3rd Year	5.35	4.91
4th Year	5.66	5.21
5th Year	5.99	5.51
After 6th Year	961.54	929.54

Risk Exposure
Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
Asset Volatility risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. These are subject to interest rate risk and the fund manages interest rate risk to an acceptable level.
Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
Concentration risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(ii). Compensated absences
The leave obligations cover the Company's liability for sick and earned leave.

The amount of the provision of Rs.40.24 lakhs (31st March, 2021 - Rs.40.18 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

(iii). Defined contribution plans

The Company also has certain defined contribution plans. Contributions are made to provident fund etc in India for employees. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs. 40.08 lakhs (31st March, 2021 - Rs. 35.80 lakhs).

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

Note-28 : Earnings per share

		Year ended 31st March, 2022	Year ended 31st March, 2021
Basic & Diluted			
Profit for the year	A	88.03	108.63
Weighted average number of shares (in numbers)	B	80,54,372	80,54,372
Basic & diluted earning per share (Rs.)	A/B	1.09	1.35
Nominal value per equity share (in Rs.)		10.00	10.00

Note-29: Assets given as security

The carrying amounts of assets provided as security for current borrowings against Limit sanctioned are:

	As at 31st March, 2022	As at 31st March, 2021
Current Assets		
First Charge		
Inventories	270.00	214.64
Trade receivables	151.88	57.37
Total Current assets given as security	**421.88**	**272.01**
Non-Current Assets		
Second Charge		
Property,Plant & Equipment	616.76	620.97
Total Non-Current Assets given as Security	**616.76**	**620.97**
Total Assets given as security	**1,038.64**	**892.98**

Note:
1) The Company is in the process of satisfying the charge created on term loan taken against Capital Expenditure.
2) There are no borrowings outstanding at each year end. However, during the year, the Company has utilised the Cash Credit facility for which quarterly statements were filed with the bank and such statements are in agreement with the books of accounts in respect of both years referred above and there are no material discrepancies found.

Note 30: Contingent liabilities (to the extent not provided for)

	As at 31st March, 2022	As at 31st March, 2021
Contingent Liabilities		
Claims against the Company not acknowledged as debts in respect of:		
Indirect tax matters		
- Sales tax	48.15	48.15

Other Matter

The Supreme Court of India, through a ruling in February 2019, provided guidelines for interpreting the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. There is significant uncertainty and ambiguity in interpreting and giving effect to the guidelines of Supreme Court. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the Supreme Court Order. The Company will evaluate its position and act as clarity emerges on impact of the ruling.

The amounts shown in respect of above items represent the best possible estimates arrived at on the basis of available information. The timing of future cash flows will be determinable only on receipt of judgements / decisions pending with various forums / authorities.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

Note 31: Commitments

Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	As at 31st March, 2022	As at 31st March, 2021
Property, plant and equipment	64.21	29.59
Less: Capital advances	25.35	1.24
Property, plant and equipment (Net of capital advances)	**38.86**	**28.35**

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

Note-32 : Fair Value measurement

Financial instruments by category

	As at March 31, 2022		As at March 31, 2021	
	FVPL	**Amortised Cost**	**FVPL**	**Amortised Cost**
Financial Assets				
Investments	-	-	143.17	-
Loans	-	-	-	1,310.00
Other Financial Assets	-	2.70	-	18.46
Trade receivable	-	714.38	-	618.97
Cash and Cash Equivalents	-	70.46	-	52.54
Bank balances other than Cash and Cash Equivalents	-	-	-	-
	-	**787.54**	**143.17**	**1,999.97**
Financial Liabilities				
Trade Payables	-	147.50	-	145.78
Other financial liabilities	-	237.60	-	99.71
	-	**385.10**	**-**	**245.49**

Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements	As at March 31, 2022		As at March 31, 2021	
	Level 1	**Level 2**	**Level 1**	**Level 2**
Financial Assets				
Investments	-	-	143.17	-
Total Financial Assets	**-**	**-**	**143.17**	**-**

The fair values of the financial assets and liabilities are 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:
1. Fair value of trade receivables, cash and cash equivalent, other bank balances, other current financial asset (other than derivative), trade payable and other current financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments..
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty.Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.
For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair value.

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

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Valuation Technique used to determine fair value
- the use of NAV declared by the fund for investment in mutual funds

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-33 : Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The company financial risk management is set by the Managing Board. The policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls are monitored by higher authorities and approved by senior management. This note explains the sources of risk which the company is exposed to and how the Company manages the risk and the related impact in the financial statements.

A) 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 market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The company ensures optimization of cash through fund planning and robust cash management practices.

a) Foreign currency risk
The Company operates internationally and portion of the business is transacted in foreign currency and consequently the Company is exposed to foreign exchange risk through its sales in overseas.

As of the Balance Sheet date, the company's net foreign currency exposures that are not hedged in trade receivables by a derivative instrument or otherwise is Euro 0.17 million (31st March, 2021: Euro 0.07 million) and corresponding equivalent amount in INR -Rs 151.87 lakhs (31st March, 2021: Rs 57.37 lakhs).

Foreign Currency Risk Sensitivity
A change of 5% in Foreign currency would have following Impact on profit before tax

	2021-2022		2020-2021	
	5% Increase	5% decrease	5% Increase	5% decrease
EURO	7.62	(7.62)	2.95	(2.95)
Increase / (decrease) in profit or loss	7.62	(7.62)	2.95	(2.95)

b) Credit risk
Credit risk is the risk that a counterparty fails to discharge its obligation to the Company.
The Company is exposed to credit risk from its operating activities (primarily trade receivables), security deposit and from its investing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalent and other bank balances
Credit risk related to cash and cash equivalents is managed by accepting highly rated banks. Management does not expect any losses from non-performance by these counterparties.

Other financial assets measured at amortized cost
Other financial assets measured at amortized cost includes bank deposits, loans and other receivables. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. The expected credit loss on these financial instruments is expected to be insignificant.

Trade and other receivables
The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no provision is considered.

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-33 : Financial Risk Management

c) Price risk
Exposure
Security price risk is the risk that the fair value of a financial instrument will fluctuate due to change in market traded prices. The Company invests its surplus funds primarily in liquid schemes of mutual funds (debt instruments) which are categorised as low risk products from liquidity and interest rate perspectives. The carrying amount of the Group's investments are designated as at fair value through profit or loss at the end of the reporting period.

Sensitivity
The sensitivity analysis below is presented with reference to changes in NAV of these securities:-

	As at 31st March, 2022	As at 31st March, 2021
NAV - Increases by 1% *	-	1.43
NAV - Decreases by 1% *	-	(1.43)

d) Liquidity Risk
Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Financing arrangements

The company had access to following undrawn Borrowing facilities at end of reporting period:

	As at 31st March, 2022	As at 31st March, 2021
Floating rate		
Expiring within one year (Cash credit facility)	200.00	200.00
Total	**200.00**	**200.00**

The bank cash credit facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

Maturity patterns of other Financial Liabilities

	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
As at 31st March 2022					
Trade Payable	142.03	1.08	4.39	-	147.50
Employee benefits payable	160.60	-	46.57	-	207.17
Other payables & Capital Creditors	22.84	-	7.59	-	30.43
Total	325.46	1.08	58.55	-	385.10
As at 31st March 2021					
Trade Payable	134.37	3.33	8.08	-	145.78
Employee benefits payable	42.45	-	42.38	-	84.83
Other payables & Capital Creditors	10.28	-	4.60	-	14.88
Total	187.10	3.33	55.06	-	245.49

Note-34 : Capital risk management

(a) Risk Management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with focus on total equity so as to maintain stakeholder confidence and to sustain future development and growth of its business. The company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The company's management monitors the return on capital as well as the level of dividends to shareholders.

The Company monitors the gearing ratio to evaluate debt leveraging and to ensure debts are maintained at the

The gearing ratio were as follows:

	As at 31st March, 2022	**As at 31st March, 2021**
Net Debt *	(70.46)	(195.71)
Total Equity	1,358.54	2,698.31
Net Debt to total equity	-5%	-7%

* Net Debt is derived by netting Total Borrowings by Current Investment and Cash and Bank Balances.Negative amounts represent excess of cash and bank balance over borrowings.

(b) Dividend

The Company has declared interim dividend for the financial year 2021-22 of Rs.18 each (face value Rs.10 per share) amounting to Rs.1,449.79 lakhs which was approved by the Board of Directors of Company in its meeting held on October 21, 2021.

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-35 : Net Debt

Net Debt Reconciliation	As at 31st March, 2022	As at 31st March, 2021
Cash and cash equivalents	(70.46)	(52.54)
Liquid investments	-	(143.17)
Current Borrowings	-	-
Net Debt	(70.46)	(195.71)

	Cash and Cash Equivalent	Liquid Investment	Current Borrowing	Total
Net Debt as at April 01, 2020	**0.69**	**134.47**	**12.76**	**(122.40)**
Cash flows	51.85	-	(12.76)	(64.61)
Net gain on sale / fair valuation of investments	-	8.70	-	(8.70)
Interest expense	-	-	0.58	0.58
Interest paid	-	-	(0.58)	(0.58)
Net Debt as at March 31, 2021	**52.54**	**143.17**	**-**	**(195.71)**
Cash flows	17.92	(156.93)	-	139.01
Net gain on sale / fair valuation of investments	-	13.76	-	(13.76)
Interest expense	-	-	0.23	0.23
Interest paid	-	-	(0.23)	(0.23)
Net Debt as at March 31, 2022	**70.46**	**-**	**-**	**(70.46)**

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 36 : Related parties disclosures as per Ind AS 24

1.Relationship

Related parties where control exists, irrespective of whether transaction has occurred or not:

a. Ultimate Holding Company
Raymond Limited

b. Holding Company
JK Files & Engineering Limited (Formerly known as JK Files (India) Limited)

Other related parties with whom transactions have taken place during the year:

c.Fellow Subsidiary of Holding Company
Raymond Apparel Limited (RAL)

d. Entities over which Ultimate Holding Company exercises significant influence
i) Ray Global Consumer Trading Limited (Ray Global)
ii) Raymond UCO Denim Private Limited (R-UCO)

e.Other significant influence
MOB Mondellin SAS, France

f. Key Management Personnel
i) Non executive Director - Mr. Arnaud Moulin
ii) Non executive Director - Mr. Srinivasan Subramanian Ganapathy
iii) Non executive Director - Mr. Hukumchand Chandratan Lakhotiya

g.Trust
JK Talabot Limited - Employees Gratuity Scheme (JKTL Trust)

Transactions carried out with related parties referred in 1 above:

Nature of Transactions	As at 31st March, 2022							As at 31st March, 2021						
	Raymond Ltd	J K Files & Engineering Ltd	MOB Mondellin SAS	RAL	R-UCO	Ray Global	JKTL Trust	Raymond Ltd	J K Files & Engineering Ltd	MOB Mondellin SAS	RAL	R-UCO	Ray Global	JKTL Trust
Sales:														
Sale of products	-	2,215.99	582.59	-	-	-	-	-	1,781.63	192.22	-	-	-	-
Sale of licences/Certificates	-	2.65	-	-	-	-	-	-	5.65	-	-	-	-	-
Sale of property,plant and equipment	-	-	-	-	-	-	-	-	54.27	-	-	-	-	-
Purchases:-														
Purchase of property,plant and equipment	-	4.19	-	-	-	-	-	-	4.54	-	-	-	-	-
Purchase of raw material and stock-in-trade	-	925.53	-	-	-	-	-	-	619.79	-	-	-	-	-
Reimbursement of expenses:-														
Salaries, wages, bonus, etc	0.81	9.96	-	-	-	-	-	-	10.50	-	-	-	-	-
Legal and Professional Expenses	0.61	-	-	-	-	-	-	0.74	-	-	-	-	-	-
Workmen and Staff welfare expenses	2.43	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	2.48	-	-	-	-	-	-	1.15	-	-	-	-	-	-
Miscellaneous Expenses	-	-	-	-	-	-	-	0.70	-	-	-	-	-	-
Other Transaction:-														
Inter Corporate loan Given *	-	-	-	-	-	-	-	-	-	-	-	-	10.00	-
Inter Corporate loan repayment received *	-	-	-	300.00	1,000.00	10.00	-	-	-	-	-	-	-	-
Interest received on inter company loan	-	-	-	12.58	41.92	0.80	-	-	-	-	25.50	85.00	0.15	-
Paid to trust - Employees Gratuity fund contribution	-	-	-	-	-	-	63.73	-	-	-	-	-	-	16.98
Dividend Payout	-	1,304.81	144.98	-	-	-	-	-	-	-	-	-	-	-
Outstanding:-														
Trade Payable	-	-	-	-	-	-	-	0.21	-	-	-	-	-	-
Other Payable	-	-	11.26	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued	-	-	-	-	-	0.09	-	-	-	-	-	15.73	0.14	-
Trade Receivables	-	562.50	151.88	-	-	-	-	-	561.60	57.37	-	-	-	-
Inter Company Loan Receivable *	-	-	-	-	-	-	-	-	-	-	300.00	1,000.00	10.00	-

* Inter corporate deposits were provided to group companies to meet their working capital requirements.
-Transactions were done in ordinary course of business and on normal terms and conditions

JK Talabot Limited
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(All amounts are in Rs. lakhs, unless stated otherwise)
Note 37 : Analytical ratios

Sr.No.	Name of the Ratio	Unit of measurement	As at 31st March, 2022	As at 31st March, 2021	Variance
1	Current Ratio	In times	2.45	6.47	-62.07%
2	Debt-Equity Ratio	In times	-	-	0.00%
3	Debt Service Coverage Ratio	In times	646.00	176.59	265.81%
4	Return on Equity Ratio	In percentage	4.3%	4.1%	6.39%
5	Inventory turnover ratio	In times	7.64	7.52	1.64%
6	Trade Receivables turnover ratio	In times	4.19	3.79	10.66%
7	Trade payables turnover ratio	In times	12.96	9.37	38.31%
8	Net capital turnover ratio	In times	4.32	0.98	339.70%
9	Net profit ratio	In percentage	3.15%	5.50%	-42.69%
10	Return on Capital employed	In percentage	8.17%	5.38%	51.92%
11	Return on investment	In percentage	6.42%	6.52%	-1.49%

Reason for variance of more than 25% in above ratios:

1	Current Ratio	Decrease in ratio due to decrease in Current Assets i.e at year end of Mar 22 there is no investment & loan.
2	Debt Service Coverage Ratio	Debt service ratio has improved due to upswing of Company's overall performance by focusing on operational efficiencies and also because of good demand in current year.
3	Trade payables turnover ratio	Increase in Ratio due to increase in Purchase.
4	Net capital turnover ratio	Increase in ratio due to increase in sales and reduction in Working capital due to decrease in investment & loan
5	Net profit ratio	Decrease in ratio due to increase in expenses.
6	Return on Capital employed	Decrease in ratio due to Interim Dividend had been pay out.

Components of Ratio

Sr.No.	Ratio	Numerator	Denominator	March 2022		March 2021	
				Numerator	Denominator	Numerator	Denominator
1	Current Ratio	Current Assets	Current Liabilities	1,090.52	444.38	2,376.78	367.33
2	Debt-Equity Ratio	Total Debts	Total Equity (Equity Share capital + Other equity)	-	1,358.54	-	2,698.31
3	Debt Service Coverage Ratio	Earnings available for debt service (Net profit after tax + depreciation & amortization + Finance cost)	Finance cost + principle repayment of long term borrowings during the year	148.58	0.23	178.36	1.01
4	Return on Equity Ratio	Net Profit After Tax	Average Shareholder Equity	88.03	2,028.42	108.63	2,663.09
5	Inventory Turnover Ratio	GOGS	Average Inventory	1,851.16	242.32	1,298.16	172.72
6	Trade Receivable Turnover Ratio	Net Credit Sales	Average Trade Receivables	2,794.19	666.68	1,976.25	521.78
7	Trade Payable Turnover Ratio	Net Credit Purchases	Average Trade Payables	1,911.28	147.50	1,365.88	145.78
8	Net Capital Turnover Ratio	Sales	Working Capital (Current assets - Current Liabilities)	2,794.19	646.15	1,976.25	2,009.45
9	Net Profit Ratio	Net Profit after tax	Net Sales	88.03	2,794.19	108.63	1,976.25
10	Return on Capital Employed	EBIT	Capital Employed (Net worth + Deferred tax liability)	111.37	1,363.60	145.32	2,703.24
11	Return on Investment	EBIT	Average Total Assets	111.37	1,733.65	145.32	2,228.42

Note 38 : Social security code

The Code on Social Security, 2020 ('Code')relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 39: Additional regulatory information required by Schedule III

(i) Details of benami property held
No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder

(ii) Wilful defaulter
The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies
The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with number of layers of companies
The Company does not have any subsidiaries, associates or joint ventures companies and hence, the question of compliance with number of layers of companies does not arise.

(v) Compliance with approved scheme(s) of arrangements
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Utilisation of borrowed funds and share premium
The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
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
The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
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

(vii) Undisclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Utilisation of borrowings availed from banks and financial institutions
The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were was taken.

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

Note 40 : Segment Information

(i) The Company's business operations falls within a single primary business segment of 'Engineering, tools and related components'. Accordingly, the Company is single segment company in terms of its products.

(ii) Entity wide disclosure -Information in respect of geographical area is as under

	India		Europe		Latin America		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segment Revenue *	2,272.23	1,823.00	582.59	192.22	1.49	3.81	2,856.31	2,019.03
Carrying cost of segment Non Current Assets **	671.73	658.54	-	-	-	-	671.73	658.54

* Based on location of Customers
** Excluding financial assets and deferred tax assets

(iii) The Company deals with two parties JK Files & Engineering Limited and MOB Mondellin SAS, France who contribute majorly to the revenue. (Refer note 36)

Note 41: Covid 19 Assessment
The Company is in the business of manufacturing steel files and a key supplier for JK Files, which is a related entity. Files are going to remain key and a top priority going forward as well. The Company has strong contingency plans in place to secure operations and supply chain so that production of its key products can continue.

The management of the Company has carried out a detailed assessment for impact of ongoing Covid -19 pandemic on its business operations (including liquidity position) and concluded that no material adjustments are considered necessary in the financial statements as at March 31, 2022. Further, based on the current scenario, the management does not foresee any material impact in the subsequent periods as well.

Note 42 : The Financial Statements were authorised for issue by the directors on May 13, 2022.

As per our attached report of even date

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number - 112433

Hukumchand Lakhotiya
Director
DIN: 09043106

Srinivasan Ganapathy
Director
DIN: 07379783

Mumbai
Date: May 13, 2022

Mumbai
Date: May 13, 2022

EVERBLUE APPAREL LIMITED

ANNUAL REPORT 2021-22

BOARD OF DIRECTORS	:	SHRI ARUN AGARWAL SHRI PRASAD THAKUR SHRI VIJAY NANA PATIL
MANAGER	:	SHRI PRASAD THAKUR
CHIEF FINANCIAL OFFICER	:	SHRI ASHOK BANSAL
COMPANY SECRETARY	:	SHRI RAKESH DARJI *(APPOINTED W.E.F. MARCH 28, 2022)*
STATUTORY AUDITORS	:	MESSRS. WALKER CHANDIOK & CO LLP
REGISTERED OFFICE	:	NEW HIND HOUSE, N. M. MARG, BALLARD ESTATE, MUMBAI – 400 001 MAHARASHTRA.

EVERBLUE APPAREL LIMITED
(CIN: U72900MH2000PLC124912)
DIRECTORS' REPORT

To,
THE MEMBERS

Your Directors are pleased to present the Twenty Second Annual Report together with the Audited Financial Statements for the Financial Year ended March 31, 2022.

1. FINANCIAL SUMMARY / PERFORMANCE OF THE COMPANY

The Company has a state-of-the art denim-wear facility offering complete denim solutions. During the year under review the net turnover of the Company was Rs. 9477.66 Lakhs (Previous year: Rs. 6607.98 Lakhs). The Company earned a Profit after Tax of Rs. 156.40 Lakhs(Previous Year: Rs. 53.09 Lakhs).

The Company has assessed the impact of this COVID19 pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial statements. The Company is adhering to all COVID-19 guidelines for employees and customers.

2. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l) of the Companies Act, 2013, there are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the Financial Year and the date of this Report.

3. DIVIDEND

In order to conserve resources, no dividend has been recommended for the Financial Year 2020-21.

4. RESERVES

Your company has not transferred any amount to the reserves of the Company.

5. AUDITORS

Messrs Walker Chandiok & Co LLP, Chartered Accountants (ICAI Firm Registration Number 001076N/N500013) were appointed as the Statutory Auditors of the Company at the Seventeenth Annual General Meeting for a period of 5 years commencing from the conclusion of Seventeenth AGM till the conclusion of Twenty-Second AGM.

Their term as Statutory Auditors expires at the ensuing Annual General Meeting. The Board seeks their re-appointment.

There is no audit qualification in the financial statements by the statutory auditors for the year under review.

6 INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new / revised standard operating procedures.

7 SHARE CAPITAL

The paid up Share Capital as on March 31, 2022 was Rs. 11.50 Crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. None of the Directors or Key Managerial Personnel of the Company holds shares or convertible instruments of the Company.

8 PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

9 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, form part of the notes to the Financial Statements.

10 DIRECTORS & KEY MANAGERIAL PERSONNEL

I) Directors

During the year under review,

- Shri. Arun Agarwal was appointed as an Additional director in the Board meeting held on 22nd July, 2021. His appointment was subsequently regularized at the Annual General Meeting.

- Shri. S.K. Gupta placed his resignation as Director of the Company with effect from 22nd July, 2021.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri. Prasad Thakur, Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

During the year, 4 Board Meetings were convened and held as detailed below. The Board Meeting held and Attendance of Directors at the Meetings is given below:

Details of Attendance of Directors at Board Meetings:

Name of Director	DATE OF BOARD MEETING			
	04.05.2021	22.07.2021	27.10.2021	15.02.2022
Shri S. K. Gupta	✓	NA	NA	NA
Shri Prasad Thakur	✓	✓	✓	✓
Shri Vijay Patil	✓	✓	✓	✓
Shri Arun Agarwal**	NA	✓	✓	✓

II) Key Managerial Personnel (KMP)

During the year under review,

- Kum. Aruna Subramanian placed her resignation as the Company Secretary and Key Managerial Personnel of the Company with effect from April 21, 2021.

- Shri. Rakesh Darji was appointed as the Company Secretary and Key Managerial Personnel of the Company with effect from March 28, 2022.

As on March 31, 2022, the Company has the following Key Managerial Personnel:-

Sr. No.	Name of the Person	Designation	Date of the Appointment
1	Shri Ashok Kumar Bansal	Chief Financial Officer	23/10/2019
2	Shri Prasad Thakur	Manager	30/10/2018
3	Shri Rakesh Darji	Company Secretary	28/03/2022

III) Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board of the Company is not required to carry out the evaluation of its own performance and Directors individually.

11 RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review are on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. The Company has developed a Related Party Transactions framework and Standard Operating Procedures for purpose of identification and monitoring of such transactions.

12 RISK MANAGEMENT

The Company is exposed to risks from market fluctuations, interest rates, commodity prices, business risks, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the risks.

13 DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

i. in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
ii. the directors have selected such accounting policies and applied them consistently and have 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 as at March 31, 2022 and of the profit/loss of the Company for that period;
iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv. the directors have prepared the annual accounts on a going concern basis; and
v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and such systems are adequate and operating effectively.

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

The details as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed herewith as **"Annexure A"** to this Report.

15 EXTRACT OF ANNUAL RETURN

The Company does not have a website of its own and therefore, the requirement to disclose the web address where the Company shall place a copy of the annual return referred to in sub-section (3) of Section 92, is not applicable.

16 PARTICULARS OF EMPLOYEES

Since your Ccompany is not a listed Ccompany, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2022 is not applicable.

17 DISCLOSURE UNDER SEXUAL HARASSMENT ACT

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this Policy. No Complaints have been received during the year under the review.

18 REPORTING OF FRAUDS

There was no instance of fraud during the year under review which required the Statutory Auditors to report to the Audit Committee and/or Board under section 143(12) of the Companies Act, 2013 and the Rules framed thereunder.

19 SECRETARIAL STANDARDS

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with the Secretarial Standards applicable on it.

20 ACKNOWLEDGEMENT

Your Directors express their warm appreciation to all its employees for their diligence and contribution. The Board records its grateful appreciation for the co-operation, support and valuable guidance received from Banks, Central and State Government Authorities, Customers, and Suppliers.

For and on behalf of the Board of
EVERBLUE APPAREL LIMITED

Vijay Patil	**Prasad Thakur**
Director	**Director**
DIN: 00323759	**DIN: 07278555**

Place: Mumbai
Date: May 14, 2022

ANNEXURE A

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO
(Pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.)

(A) Conservation of energy-

The operations of your Company are not energy intensive. Your Company takes various measures to reduce energy consumption by using energy efficient systems, machines and procuring energy efficient equipment's.

(B) Technology absorption-

The Company has strengthened its in-house product development facility which will lead to introduction of garments with varied finishes and styles. Product innovation and customer satisfaction has been an integral part of the unit. The Company has not invested funds in Research and development.

(C) Foreign exchange earnings and Outgo –

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

(i) Earnings: Nil
(ii) Outgo: Nil (Last Year :- 22.50 Lac)

For and on behalf of the Board of
EVERBLUE APPAREL LIMITED

Vijay Patil	**Prasad Thakur**
Director	**Director**
DIN: 00323759	**DIN: 07278555**

Place: Mumbai
Date: May 14, 2022

Independent Auditor's Report

To the Members of Everblue Apparel Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Everblue Apparel Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. 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 Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit (including other comprehensive loss), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

4. Company's Board of Directors is responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

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

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

   If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

Responsibilities of Management for the Financial Statements

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

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

7. 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

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

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

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

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

   - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

10. We communicate with management 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.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.

12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

13. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;

    b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

    c) The financial statements dealt with by this report are in agreement with the books of account

    d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and

    g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

       i. the Company does not have any pending litigation(s) which would impact its financial position as at 31 March 2022;

       ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022.;

       iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022

       iv.

          a. The management has represented that, to the best of its knowledge and belief, on the date of this audit report, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

          b. The management has represented that, to the best of its knowledge and belief, on the date of this audit report, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate

Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Adi P. Sethna
Partner
Membership No.: 108840

UDIN: **(by hand)**

Place: Mumbai
Date: 16 May 2022

Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Everblue Apparel Limited on the financial statements for the year ended 31 March 2022

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

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

(b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of all the immovable properties held by the Company are held in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible asset during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

(b) The Company has a working capital limit in excess of Rs 5 crore, sanctioned by banks on the basis of security of current assets. However, pursuant to terms of the sanction letters, the Company is not required to file any quarterly return or statement with such banks.

(iii) Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute

Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Everblue Apparel Limited on the financial statements for the year ended 31 March 2022

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks, representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

(e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.

(xiv) According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.

Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Everblue Apparel Limited on the financial statements for the year ended 31 March 2022

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.

(xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting, nothing has come to our attention, which causes us to believe that material uncertainty exists as on the date of the audit report 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 any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Adi P. Sethna
Partner
Membership No.: 108840

UDIN :- **(by hand)**

Place: Mumbai
Date: 16 May 2022

Annexure II

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

1. In conjunction with our audit of the financial statements of Everblue Apparel limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of the Management for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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

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

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Adi P. Sethna
Partner
Membership No.: 108840

UDIN: **(by hand)**

Place: Mumbai
Date: 16 May 2022

Everblue Apparel Limited
Balance Sheet as at 31 March 2022

		Note	As at 31 March 2022 (Rs in lakhs)	As at 31 March 2021 (Rs in lakhs)
I	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	**2**	2,625.02	2,716.07
	(b) Capital work - in - progress		-	-
	(c) Intangible assets	**3**	18.27	13.24
	(d) Financial assets			
	(i) Other financial assets	**4**	95.05	91.97
	(e) Deferred tax assets (net)	**27**	214.70	215.92
	(f) Income tax asset (net)	**27**	87.90	227.53
	(g) Other non - current assets	**5**	10.04	0.34
	Total non-current assets		**3,050.98**	**3,265.07**
2	**Current assets**			
	(a) Inventories	**6**	218.53	67.94
	(b) Financial assets			
	(i) Trade receivables	**7**	725.60	872.81
	(ii) Cash and cash equivalents	**8(a)**	855.92	332.48
	(iii) Bank balances other than cash and cash equivalents	**8(b)**	10.48	10.00
	(c) Other current assets	**9**	513.26	358.56
	Total current assets		**2,323.79**	**1,641.79**
	TOTAL ASSETS		**5,374.77**	**4,906.86**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	**10**	1,150.00	1,150.00
	b) Other equity		260.40	121.44
	Total equity		**1,410.40**	**1,271.44**
2	**Liabilities**			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	**11**	1,546.69	1,691.72
	(ii) Other financial liabilities	**12**	132.30	135.98
	(b) Provisions	**14**	120.98	95.63
	(c) Other non current liabilities	**13**	37.24	70.08
	Total non-current liabilities		**1,837.21**	**1,993.41**
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	**15**	144.33	442.56
	(ii) Trade payables	**16**		
	Total outstanding dues to micro enterprises and small enteprises		70.78	27.74
	Total outstanding dues to creditors other than micro enterprises and small enteprises		774.96	367.04
	(iii) Other financial liabilities	**17**	881.88	669.87
	(b) Other current liabilities	**18**	139.08	101.10
	(c) Provisions	**14**	116.13	33.70
	Total current liabilities		**2,127.16**	**1,642.01**
	TOTAL EQUITY AND LIABILITIES		**5,374.77**	**4,906.86**

Notes 1 to 39 form an integral part of the financial statements

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

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No. 001076N / N500013

Adi P. Sethna
Partner
Membership No.: 108840

Place: Mumbai
Date : 16 May 2022

For and on behalf of Board of Directors

Prasad Thakur
Manager and Director
DIN: 07278555
Place: Mumbai

Vijay Patil
Director
DIN: 07173161
Place: Mumbai

Ashok Kumar Bansal
Chief Financial Officer
Place: Banglore

Rakesh Darji
Company Secretary
Place: Mumbai

Date : 14 May 2022

Everblue Apparel Limited
Statement of profit and loss for the year ended 31 March 2022

		Note	As at 31 March 2022 (Rs in lakhs)	Year ended 31 March 2021 (Rs in lakhs)
I	**Income**			
	Revenue from operations	**19**	9,477.66	6,607.98
	Other income	**20**	83.94	66.39
	Total income		**9,561.60**	**6,674.37**
II	**Expenses**			
	Change in value of contract assets	**21A**	(138.77)	752.65
	Changes in inventories of finished goods and work-in-progress	**21B**	(36.33)	-
	Cost of materials consumed	**22**	79.16	96.73
	Employee benefits expense	**23**	5,564.44	3,643.54
	Finance costs	**24**	195.45	191.66
	Depreciation and amortisation expense	**25**	219.05	203.03
	Other expenses			
	(a) Operating costs	**26A**	2,941.43	1,439.96
	(b) Other expenses	**26B**	542.46	378.46
	Total expenses		**9,366.89**	**6,706.03**
III	**Profit/(Loss) before tax**		**194.71**	**(31.66)**
IV	**Tax expense/ (credit)**	**27**		
	Current tax		30.37	8.92
	Deferred tax		7.94	(93.67)
V	**Profit for the year**		**156.40**	**53.09**
VI	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	**31**	(24.16)	88.82
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans		6.72	(24.71)
	Total other Comprehensive Income for the year		**(17.44)**	**64.11**
VII	**Total Comprehensive Income for the year**		**138.96**	**117.20**
VIII	**Earnings per equity share of Rs 10 each:**	**28**		
	Basic earnings per share (Rs)		1.36	0.46
	Diluted earnings per share (Rs)		1.36	0.46

Notes 1 to 39 form an integral part of the financial statements

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

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No. 001076N / N500013

For and on behalf of Board of Directors

Prasad Thakur
Manager and Director
DIN: 07278555
Place: Mumbai

Vijay Patil
Director
DIN: 07173161
Place: Mumbai

Adi P. Sethna
Partner
Membership No.: 108840

Place: Mumbai
Date : 16 May 2022

Ashok Kumar Bansal
Chief Financial Officer
Place: Banglore

Rakesh Darji
Company Secretary
Place: Mumbai

Date : 14 May 2022

Everblue Apparel Limited
Statement of Cash Flow for the year ended 31 March 2022

	Year ended 31 March 2022 (Rs in lakhs)	Year ended 31 March 2021 (Rs in lakhs)
CASH FLOW FROM OPERATING ACTIVITIES :		
Profit/(Loss) before tax	194.71	(31.66)
Adjustments for:		
Remeasurements of net defined benefit plans	(24.16)	88.82
Depreciation and amortization expenses	219.05	203.03
Government grant amortised	(32.84)	(32.84)
Compensation received from NHAI for Compound Wall [Refer note 20(a)]	(37.56)	-
Finance cost	195.45	191.66
Interest income	(1.99)	(2.90)
Operating profit before working capital changes	**512.66**	**416.11**
Adjustments for:		
(Increase) / Decrease in trade and other receivables	(17.13)	284.32
(Increase) in inventories	(150.59)	(28.41)
Increase / (Decrease) in trade and other payables	687.22	(436.16)
(Decrease) / Increase in provisions	107.78	(102.40)
Cash generated from operations	1,139.94	133.46
Direct taxes refund [net]	109.26	355.17
Net cash generated from operating activities	**1,249.20**	**488.63**
CASH FLOW FROM INVESTING ACTIVITIES :		
Interest received	1.99	2.90
Deposits with maturity of more than three months but less than twelve months (net)	(0.48)	(10.00)
Compensation received from NHAI for Compound Wall [Refer note 20(a)]	37.56	-
Purchase of property, plant and equipment/ intangible assets	(122.44)	3.44
Net cash (used in) investing activities	**(83.37)**	**(3.66)**
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds / (Repayment) of short term borrowings	(309.34)	46.99
Proceeds from long term borrowings	-	100.00
Repayment of long term borrowings	(133.92)	(113.78)
Net Interest paid	(199.13)	(188.34)
Net cash (used) in financing activities	**(642.39)**	**(155.13)**
Net increase in cash and cash equivalents	**523.44**	**329.84**
Cash and cash equivalents at beginning of the year	332.48	**2.64**
Cash and cash equivalents at end of the year	**855.92**	**332.48**

Notes 1 to 39 form an integral part of the financial statements

Note:

1. The statement of cash flow has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

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

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No. 001076N / N500013

For and on behalf of Board of Directors

Prasad Thakur
Manager and Director
DIN: 07278555
Place: Mumbai

Vijay Patil
Director
DIN: 07173161
Place: Mumbai

Adi P. Sethna
Partner
Membership No.: 108840

Ashok Kumar Bansal
Chief Financial Officer
Place: Banglore

Rakesh Darji
Company Secretary
Place: Mumbai

Place: Mumbai
Date : 16 May 2022

Date : 14 May 2022

Everblue Apparel Limited
Statement of changes in equity for the year ended 31 March 2022

A. Equity share capital

Equity share capital	Number	(Rs in lakhs)
Equity shares of Rs 10 each issued, subscribed and paid		
As at 1 April 2020	**11,500,000**	**1,150.00**
Issue of equity shares	-	**-**
As at 31 March 2021	**11,500,000**	**1,150.00**
Issue of equity shares	-	-
As at 31 March 2022	**11,500,000**	**1,150.00**

B. Other Equity **(Rs in lakhs)**

Particulars	Reserve and surplus		Total
	Retained earnings	Securities premium	
Balance as at 1 April 2020	**(345.76)**	**350.00**	**4.24**
Profit for the year ended 31 March 2021	53.09	-	**53.09**
Other comprehensive income for 31 March 2021	64.11	-	**64.11**
Balance as at 31 March 2021	**(228.56)**	**350.00**	**121.44**
Profit for the year ended 31 March 2022	156.40	-	**156.40**
Other comprehensive income for 31 March 2022	(17.44)	-	**(17.44)**
Balance As at 31 March 2022	**(89.60)**	**350.00**	**260.40**

Notes 1 to 39 form an integral part of the financial statements

This is the Statement of changes in equity referred to in our audit report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No. 001076N / N500013

For and on behalf of Board of Directors

Prasad Thakur
Manager and Director
DIN: 07278555
Place: Mumbai

Vijay Patil
Director
DIN: 00323759
Place: Mumbai

Adi P. Sethna
Partner
Membership No.: 108840

Ashok Kumar Bansal
Chief Financial Officer
Place: Banglore

Rakesh Darji
Company Secretary
Place: Mumbai

Date : 16 May 2022

Date : 14 May 2022

Note: 1

Note 1.1 CORPORATE INFORMATION

Everblue Apparel Limited (‘EBAL’ or ‘the Company’) is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is principally engaged in business of converting fabrics into readymade garments on contractual basis.

The financial statements of the Company for the year ended 31 March 2022 ("the financial statements") were authorised for issue in accordance with resolution of the Board of Directors on 14 May 2022

Note 1.2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013('Act') read with the Companies (Indian Accounting standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements, except where a new accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities are measured at fair value;
2) defined benefit plans — plan assets measured at fair value;

(iii) Current non-current Classification

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle ("which is a period not exceeding twelve months") and other criteria set out in the Schedule III to Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(b) Use of Estimates and Judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date

Critical estimates and assumptions

Deferred tax assets

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Defined benefit plans

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(c) Property, plant and equipment

Property, plant and equipment is stated at historical cost, less accumulated depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company 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 Statement of Profit and Loss during the reporting period in which they are incurred.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

Depreciation methods, estimated useful lives and residual value

Depreciation on buildings, plant and equipment is provided on a Straight Line Method and in case of other assets on Written Down Value Method, over the estimated useful life of assets in the manner prescribed in Schedule II to the Act , and management believe that useful life of assets are same as those prescribed in Schedule II to the Act, except for certain plant and equipment which based on a technical evaluation has been estimated as 24 years which is different from that prescribed in Schedule II to the Act.
The residual value is not more than 5% of the original cost of an assets.Depreciation on additions/deletions is calculated on pro-rata for the month of such addition/deletion, as the case may be.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(d) Intangible assets

Computer Software

Intangible assets comprise of license fees and implementation cost for software and other application software acquired / developed for in-house use. These assets are stated at cost, 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, less accumulated amortisation and accumulated impairment losses, if any.

Amortisation methods and useful life.

The Company amortises computer software using the straight-line method over the period of 3 Years.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss.

(e) Leases

Company as a lessee

The Company assesses whether a contract contains lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset; (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a lease term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the fixed lease payments including variable lease payments that depend on an index or a rate. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate of the Company. The Company did no have any such right-of-use assets during the year.

(f) Cash and Cash Equivalents

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

(g) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment.

(h) Inventories

Inventory of Raw Materials and Stores and Spare parts are stated at cost or net realisable value whichever is lower. Cost comprises all cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are “weighted average’ basis. All the costs incurred on unfinished / finished, but not invoiced jobs, under conversion contracts, are carried forward as "Accumulated Costs on Conversion Contracts – In process", at cost or net realizable value whichever is lower. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

(i) Financial instruments

a) Financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

• those to be measured subsequently at fair value (either through other comprehensive income, or through Statement of Profit and Loss, and

• those measured at amortised cost.

The classification depends on the entity s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through Statement of Profit and Loss are expensed in Statement of Profit and Loss.

(iii) Impairment of Financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

b) Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into 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 the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial Liabilities

(i) Classification

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

(ii) Measurement

The measurement of financial liabilities depends on their classification, as described below :

Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired.

c) Offsetting Financial Instruments

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

(j) Borrowing Cost

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

(k) Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognise a contingent asset unless the recovery is virtually certain.

(l) Revenue Recognition

The Company undertakes contract for converting Fabrics into Readymade Garments.

Revenue from contracts with customers

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in exchange for those services.

(m) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised 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.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity and

(b) defined contribution plans such as provident fund and employees state insurance scheme

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

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 employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised 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.

Defined Contribution Plans

Defined Contribution Plan viz Provident Fund and Employees State Insurance Scheme is determined based on a fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis. The Company has categorised its Provident Fund and the Employees State Insurance Scheme as a defined contribution plan since it has no further obligations beyond these contributions is charged to the Statement of Profit and Loss Account as incurred.

(iii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees and is determined based on valuations as at balance sheet date made by an independent actuary using projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(n) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(o) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the balance sheet method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets (Including Minimum Alternate Tax (MAT)) are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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 off set where the company 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.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(p) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

• the profit attributable to owners of the Company.

• by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

• the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

(q) Government grants

Grant from Government are recognised at their fair value, when there is reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grant related to income are deferred and recognised in the profit and loss over the period necessary to match them with the costs that these are intended to compensate and reduced from such expenses.

Government grant related to property, plant and equipment are included in the non current liabilities/current liabilities as deferred income, and are credited to profit and loss on straight line basis over the expected lives of the related assets and presented within other income.

(r) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors assesses the financial performance and position of the company, and makes strategic decisions.

Note 1.3 Recent accounting pronouncements

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2022.

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Everblue Apparel Limited
Summary of the significant accounting policies and other explanatory information as at and for the year ended 31 March 2022

Note 2- Property, plant and equipment

(Rs in lakhs)

	Freehold Land	Buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipment	Total
Gross carrying amount							
As at 1 April 2020	**567.10**	**1,360.36**	**1,980.69**	**84.28**	**4.13**	**47.59**	**4,044.15**
Additions / adjustments	-	4.85	-	-	-	0.36	5.21
Deletions / adjustments	-	-	-	-	-	-	-
Balance as at 31 March 2021	**567.10**	**1,365.21**	**1,980.69**	**84.28**	**4.13**	**47.95**	**4,049.36**
Additions / adjustments	-	113.78	-	-	-	4.51	118.29
Deletions / adjustments	-	-	-	-	-	-	-
Balance as at 31 March 2022	**567.10**	**1,478.99**	**1,980.69**	**84.28**	**4.13**	**52.46**	**4,167.65**
Accumulated Depreciation							
As at 1 April 2020	-	245.21	790.73	62.69	3.30	34.43	1,136.36
Additions	-	55.33	130.18	5.41	0.07	5.94	196.93
Deletions / adjustments	-	-	-	-	-	-	-
Balance as at 31 March 2021	**-**	**300.54**	**920.91**	**68.10**	**3.37**	**40.37**	**1,333.29**
Additions	-	70.20	132.08	4.00	0.05	3.01	209.34
Deletions / adjustments	-	-	-	-	-	-	-
Balance as at 31 March 2022	**-**	**370.74**	**1,052.99**	**72.10**	**3.42**	**43.38**	**1,542.63**
Net carrying amount							
Balance as at 31 March 2021	**567.10**	**1,064.67**	**1,059.78**	**16.18**	**0.76**	**7.58**	**2,716.07**
Balance as at 31 March 2022	**567.10**	**1,108.25**	**927.70**	**12.18**	**0.71**	**9.08**	**2,625.02**

Notes:
i) Refer Note 30 (a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
ii) Refer Note 29 for information on property, plant and equipment pledged as security by the Company.

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Everblue Apparel Limited
Summary of the significant accounting policies and other explanatory information as at and for the year ended 31 March 2022

Note 3- Intangible assets **(Rs in lakhs)**

	Computer Software
Gross carrying amount	
As at 1 April 2020	**31.60**
Additions / adjustments	1.32
Deletions / adjustments	-
Balance as at 31 March 2021	**32.92**
Additions / adjustments	14.74
Deletions / adjustments	-
Balance as at 31 March 2022	**47.66**
Accumulated amortisation	
As at 1 April 2020	13.58
Amortisation for the year	6.10
Deletions / adjustments	-
Balance as at 31 March 2021	**19.68**
Amortisation for the year	9.71
Deletions / adjustments	-
Balance as at 31 March 2022	**29.39**
Net carrying amount	
Balance as at 31 March 2021	**13.24**
Balance as at 31 March 2022	**18.27**

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Note 4 :- Non-current financial assets

	As at 31 March 2022 (Rs in lakhs)	As at 31 March 2021 (Rs in lakhs)
(Unsecured, considered good)		
Deposits	95.05	91.97
Total	**95.05**	**91.97**

Note 5- Other non-current assets

Capital advances	3.13	-
Prepaid expenses	6.91	0.34
Total	**10.04**	**0.34**

Note 6- Inventories

Stores and spares	33.69	39.46
Raw Material	148.51	28.48
Work In Progress	11.69	-
Finished Goods	24.64	-
Total	**218.53**	**67.94**

Note 7- Trade receivables

(Unsecured, considered good unless otherwise stated)		
Trade receivables	7.47	-
Receivables from related parties* (refer note 32)	718.13	872.81
Total	**725.60**	**872.81**

* includes Rs. 718.13 lakhs (31 March 2021: Rs.872.78 lakhs) due from a private company in which director of the company is a director.

Refer note 34 for information about credit risk and market risk of trade receivables.

Ageing of Trade receivables

(Rs in lakhs)

	Outstanding for following periods from due date of payment						
	Not due	Less than 6 Months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2022							
Undisputed Trade receivables-considered good	725.31	0.29		-	-	-	725.60
Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-				-
Disputed Trade receivables-considered good	-	-	-	-	-	-	-
Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total	**725.31**	**0.29**	**-**	**-**	**-**	**-**	**725.60**
As at 31 March 2021							
Undisputed Trade receivables-considered good	296.73	576.08	-	-	-	-	872.81
Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-			-	-	-
Disputed Trade receivables-considered good	-	-	-	-	-	-	-
Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total	**296.73**	**576.08**	**-**	**-**	**-**	**-**	**872.81**

Note 8(a)- Cash and cash equivalents

	As at 31 March 2022 (Rs in lakhs)	As at 31 March 2021 (Rs in lakhs)
Balances with banks in current accounts	0.25	1.82
Balances with Banks - in OD account	854.96	330.44
Cash on hand	0.71	0.22
	855.92	**332.48**

Note 8(b)- Bank balances other than cash and cash equivalents

Deposits with maturity of more than three months but less than twelve months	10.48	10.00
Deposit includes fixed deposit with bank Rs. 10.48 lakhs (Rs. 10 lakhs as at 31 March 2021) marked as lien against overdraft facility obtained by the Company		
	10.48	**10.00**

Note 9- Other current assets

Prepaid expenses	17.23	10.46
Interest subsidy receivable	1.43	1.43
Accumulated costs on conversion contract - in process (refer note 1.2 (h))	469.30	330.53
Balance with government authorities	11.42	0.22
Advances to suppliers	8.24	5.16
Other advances	5.64	10.76
Total	**513.26**	**358.56**

Note 10- Equity Share Capital

	As at 31 March 2022 (Rs in lakhs)	As at 31 March 2021 (Rs in lakhs)
Authorised		
20,000,000 [31 March 2021: 20,000,000] equity shares of Rs 10 each	2,000.00	2,000.00
	2,000.00	**2,000.00**
Issued, subscribed and fully paid up		
11,500,000 [31 March 2021 : 11,500,000] equity shares of Rs 10 each	1,150.00	1,150.00
	1,150.00	**1,150.00**

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year - Refer Statement of changes in equity

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

c) Equity shares held by Holding company and its nominee and shareholders more than 5%

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	**% of Holding**	**Number of shares**	**% of Holding**
Equity Shares of Rs. 10 held by:				
Raymond Limited (Holding Company) and its nominees.	11,500,000	100	11,500,000	100

d) Bonus shares/ buy back/shares for consideration other than cash issued during past five years:

(i) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash - Nil
(ii) Aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil
(iii) Aggregate number and class of shares bought back - Nil

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Note 11 - Non Current Borrowings

	As at 31 March 2022 (Rs in lakhs)	As at 31 March 2021 (Rs in lakhs)
Secured		
Term loans		
From bank #	146.69	291.72
Unsecured		
Loan from Holding Company - Raymond Limited ##	1,400.00	1,400.00
Total	**1,546.69**	**1,691.72**

Refer note 34 for liquidity risk.

 # Nature of security and terms of repayment for long-term secured borrowings:

Nature of security
Term loan amounting to Rs. 291.02 lakhs (31 March 2021 : Rs. 424.94 lakhs) secured by equitable mortgage of industrial land and building thereon situated at Dodaballapur, Bangalore.

Terms of repayment
A. Repayment will commence after 6 months of moratorium period from date of disbursement i.e 18 March 2019.
53 equal instalments of Rs. 9.25 lakhs per month and 54 instalment of Rs. 9.75 lakhs.
Interest rate at 1 year MCLR+ 0.70 % i.e 7.75% p.a. as at 31 March 2022 (31 March 2021: 8.85%).
B. Repayment will commence after 12 months of post moratorium period from date of disbursement i.e 06 August 2020.
36 equal instalments of Rs. 2.77 lakhs per month.
Interest at the rate of Repo rates + Spread 4.60% p.a i.e. 8.60% p.a. as at 31 March 2022 (31 March 2021: 8.60%)..
Instalments falling due within twelve months of the year end aggregating Rs. 144.33 lakhs (31 March 2021: Rs. 133.22 lakhs) in respect of all the loans has been grouped under 'Current maturities of long term debt' (Refer Note 15)

Terms of repayment of loan from Raymond Limited - Holding Company

The loan amounting to Rs. 1,400 lakhs is due for payment on 30 April 2023 (as at 31 March 2021: Rs. 1,400 lakhs). Rate of interest as at year end 10.50% p.a (as at 31 March 2021: 10.50% p.a)

The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 29.

Note 12- Other non - current financial liabilities

	As at 31 March 2022 (Rs in lakhs)	As at 31 March 2021 (Rs in lakhs)
Interest accrued but not due on borrowings	132.30	135.98
Total	**132.30**	**135.98**

Note 13- Other non - current liabilities

Government grant [Refer note 13 (a)]	37.24	70.08
Total	**37.24**	**70.08**

Note- 13 (a) Movement of Government grant

Opening: Government grant	105.38	138.22
Add: Addition during the year	-	-
Less: released to statement of profit and loss	32.84	32.84
Closing: Government grant	**72.54**	**105.38**
Current portion	35.30	35.30
Non-current portion	37.24	70.08
Total	**72.54**	**105.38**

Export Promotion Capital Goods (EPCG) scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant (Refer Note 1). The Government Grant shown above represents unamortised amount of the duty saved referred to above. There are no export obligation to be fulfilled subsequent to the reporting date.

Under the Government Scheme, the Company is entitled to subsidy, on its investment in the property plant and equipment, on fulfilment of the conditions stated in the said Scheme. The subsidy being Government Grant is accounted as stated in the Accounting policy on Government Grant (Refer Note 1). The Government Grant shown above represents unamortised amount of the subsidy referred to above, with the corresponding adjustment to the carrying amount of property, plant and equipment (Refer note 2).

Note 14- Provisions

	As at 31 March 2022 (Rs in lakhs)	As at 31 March 2021 (Rs in lakhs)
Non-current		
Provision for employee benefits [Refer note 31]		
Leave entitlement	120.98	95.63
Total	**120.98**	**95.63**
Current		
Provision for employee benefits [Refer note 31]		
Leave entitlement	28.97	22.69
Gratuity	87.16	11.01
Total	**116.13**	**33.70**

Note 15- Current borrowings

Secured		
Working capital loan from banks	-	309.34
Current maturities of long-term debt	144.33	133.22
Total	**144.33**	**442.56**

Nature of security

Amount of Rs. Nil (31 March 2021: Rs. 309.34 Lakhs) primarily secured by entire current assets both present and future and collaterally secured by equitable mortgage of industrial land and building thereon situated at Dodaballapur, Bangalore, Karnataka.

Note 16- Trade payables

Total outstanding dues of Micro Enterprises and Small Enterprises [Refer note 16 (a)]	70.78	27.74
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	774.96	367.04
Total	**845.74**	**394.78**

(a) Dues to Micro and Small Enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows.

(Rs. in lakhs)

	31 March 2022	31 March 2021
a) The principal amount remaining unpaid to any supplier at the end of the year	70.78	27.74
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no material overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date.

(b) Refer Note 34 for information about liquidity risk and market risk of trade payables.

Ageing of Trade payables

(Rs in lakhs)

	Outstanding for following periods from due date of payment						
	Not due	**Less than 6 Months**	**6 months - 1 years**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
As at 31 March 2022							
Total outstanding dues of Micro Enterprises and Small Enterprises	-	70.77	0.01	-	-	-	70.78
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	171.76	593.01	7.66	1.89	0.64	-	774.96
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**171.76**	**663.78**	**7.67**	**1.89**	**0.64**	**-**	**845.74**
As at 31 March 2021							
Total outstanding dues of Micro Enterprises and Small Enterprises	19.33	8.41	-	-	-	-	27.74
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	-	349.50	5.74	11.80	-	-	367.04
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**19.33**	**357.91**	**5.74**	**11.80**	**-**	**-**	**394.78**

Note 17- Other financial liabilities

	As at 31 March 2022 (Rs in lakhs)	As at 31 March 2021 (Rs in lakhs)
(a) Capital creditors	22.23	8.51
(b) Salary and wages payable	660.89	454.42
(c) Payable to holding company [Refer note 32]	198.76	206.94
Total	**881.88**	**669.87**

Note 18- Other current liabilities

Statutory dues	102.20	64.22
Government grant [Refer note 13]	35.30	35.30
Rent equalisation	1.58	1.58
Total	**139.08**	**101.10**

Note 19- Revenue from operations

	As at 31 March 2022 (Rs in lakhs)	Year ended 31 March 2021 (Rs in lakhs)
Sale		
Goods	70.68	164.88
Job work	9,406.98	6,443.10
Total	**9,477.66**	**6,607.98**

Note 20- Other income

Interest income	1.99	2.90
Government grant amortised [Refer note 13 (a)]	32.84	32.84
Compensation received from NHAI for Compound Wall [Refer note a below]	37.56	-
Miscellaneous income	11.55	30.65
Total	**83.94**	**66.39**

Note (a): During the current year, the Company has received compenstation agianst the representation made to Karnataka Industrial Area Development Board (KIADB) towards possible loss of civil construction on account of 1.50 acres land required to be surrendered to National Highway Authority of India (NHAI) in an earlier year.

Note 21A - Change in value of contract assets [Refer note 1.2 (h)]

Opening stock- accumulated costs on conversion contract- in process	330.53	1,083.18
Closing stock- accumulated costs on conversion contract- in process	(469.30)	(330.53)
	(138.77)	**752.65**

Note 21B- Changes in inventories of finished goods and work-in-progress

Opening inventories		
Work-in-progress	-	-
Finished goods	-	-
	-	**-**
Closing inventories		
Work-in-progress	11.69	-
Finished goods	24.64	-
	36.33	**-**
Total	**(36.33)**	**-**

Note 22- Cost of materials consumed

Raw materials consumed		
Opening stock	28.48	-
Purchases (net)	199.19	125.21
Less : closing stock	(148.51)	(28.48)
Total	**79.16**	**96.73**

Note 23- Employee benefits expense

Salaries and wages	4,686.65	2,971.70
Contribution to provident fund and other funds [Refer note 31]	428.04	322.63
Gratuity [Refer note 31]	62.99	99.83
Workmen and staff welfare expenses	386.76	249.38
Total	**5,564.44**	**3,643.54**

Note 24- Finance costs

Interest expense	195.45	191.66
Total	**195.45**	**191.66**

Note 25- Depreciation and amortization expense

Depreciation on property, plant and equipment	209.34	196.93
Amortization of intangible assets	9.71	6.10
Total	**219.05**	**203.03**

Note 26A- Manufacturing and operating costs

Consumption of stores and spare parts	463.32	263.49
Power and fuel	464.11	281.23
Job work charges	1,192.73	173.62
Repairs to buildings	3.11	15.11
Repairs to machinery	61.83	25.88
Machine hire charges [Refer note 36]	756.33	680.63
Total	**2,941.43**	**1,439.96**

Note 26B- Other expenses

Rent [Refer note 36]	79.00	27.76
Insurance	22.58	19.00
Rates and taxes	8.34	6.78
Legal and professional expenses	102.54	84.62
Travelling & conveyance	22.66	9.54
Security charges	65.80	47.91
Housekeeping charges	71.91	43.51
Miscellaneous expenses	169.63	139.34
Total	**542.46**	**378.46**

(a) Legal and professional expenses include:

Auditors' remuneration and expenses		
Audit fees (Including goods and service tax)	5.31	5.31
Reimbursement of out-of-pocket expenses	0.35	0.35

(Rs in lakhs)

Note 27- Income taxes	**As at 31 March 2022**	**As at 31 March 2021**
i. The following table provides the details of income tax assets and liabilities:		
Non-current		
a) Income tax assets	87.90	227.53
b) Current income tax liabilities	-	-
Current tax assets (net)	**87.90**	**227.53**

Tax expense recognised in the statement of profit and loss

(Rs in lakhs)

	Year ended 31 March 2022	**Year ended 31 March 2021**
Current tax		
Current year	30.37	8.92
Total current tax	**30.37**	**8.92**
Deferred tax		
Origination and reversal of temporary difference	(22.43)	(102.58)
Total deferred income tax expense	**(22.43)**	**(102.58)**
Total income tax expense/(credit)	**7.94**	**(93.67)**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

(Rs in lakhs)

Reconciliation of effective tax rate	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Enacted income tax rate in India	27.82%	27.82%
Profit/(Loss) before tax	194.71	(31.66)
Income Tax expense as per enacted rate	54.17	(8.81)
Tax effect of adjustment to reconcile income tax expenses as per enacted rate with reported income tax expenses:		
Others	3.73	-
Compensation received from NHAI for Compound Wall	(10.45)	-
Minimum alternate tax credit	(30.37)	(8.92)
Minimum alternate tax charge	30.37	8.92
Capital Subsidary - Ind AS Adjustment	(9.14)	-
Tax in respect of earlier years	-	(75.94)
Total income tax expense/(credit)	**38.31**	**(84.75)**

* Represents adjustment to deferred tax asset based upon the Income tax return filed by the Company for the assessment year 2020-21.

(Rs in lakhs)

The movement in deferred tax assets and liabilities during the year ended 31 March 2021 and 31 March 2022:

(Rs in lakhs)

Movement during the year ended 31 March 2022	As at 1 April 2021	Credit/(charge) in statement of profit and loss	Credit/(charge) in other comprehensive income	As at 31 March 2022
Deferred tax assets/(liabilities)				
Provision for post retirement benefits and other employee benefits	84.86	66.48	6.72	158.06
Depreciation and amortisation	(340.09)	12.75	-	(327.34)
Unabsorbed tax depreciation - Refer note below	341.58	(117.54)	-	224.04
Total	**86.35**	**(38.31)**	**6.72**	**54.76**
Mat credit entitlement - Refer note below	129.57	30.37	-	159.94
Total	**215.92**	**(7.94)**	**6.72**	**214.70**

(Rs in lakhs)

Movement during the year ended 31 March 2021	As at 1 April 2020	Credit/(charge) in statement of profit and loss	Credit/(charge) in other comprehensive income	As at 31 March 2021
Deferred tax assets/(liabilities)				
Provision for post retirement benefits and other employee benefits	134.08	(24.51)	(24.71)	84.86
Depreciation and amortisation	(312.80)	(27.29)	-	(340.09)
Unabsorbed tax depreciation - Refer note below	205.03	136.55	-	341.58
Total	**26.31**	**84.75**	**(24.71)**	**86.35**
Mat credit entitlement-Refer note below	**120.65**	**8.92**	**-**	**129.57**
Total	**146.96**	**93.67**	**(24.71)**	**215.92**

Note:

The Company has been consistently profitable for last few years and estimates to generate a sufficient taxable profit to utilise the unabsorbed depreciation which can be carried forward indefinitely as per tax laws. Since, MAT credit is available for a period of 15 years, in view of the Company's performance, it has estimated credit to be recognised to the extent there is taxable profit for utilisation.

28 Earnings per share (EPS)

	As at 31 March 2022	As at 31 March 2021
Basic and Diluted :		
Profit as per the Statement of profit and loss available for equity shareholders (Rs. In lakhs)	156.40	53.09
Weighted average number of equity shares outstanding	11,500,000	11,500,000
Earnings Per Share (Rs.) - Basic and diluted (Face value of Rs. 10 per share)	1.36	0.46

Note 29 :Assets hypothecated as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Current Assets		
Trade receivables	725.60	872.81
Inventories	218.53	67.94
Cash and cash equivalents	855.92	332.48
Other current assets	513.26	358.56
Total Current assets Hypothecated as security	**2,313.31**	**1,631.79**
Non Current Assets		
Land	567.10	567.10
Building	1,108.25	1,064.67
Total non-current assets Hypothecated as security	**1,675.35**	**1,631.77**
Total assets hypothecated as security	**3,988.66**	**3,263.56**

Note 30 : Commitments (to the extent not provided for) and contingent liabilities and contingent assets:

(a) Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Property, plant and equipment	7.12	-
	7.12	**-**
Less: Capital advances	3.13	-
Net Capital commitments	**3.99**	**-**

(b) Provident Fund

The Honourable Supreme Court ,in one of the matters considered by it , has passed decision on 28 February,2019 in relation to non-exclusion of certain allowances from the definition of "Basic Wages" of the relevant employees for the purpose of determining contribution to provident fund under the Employees Provident Fund & Miscellaneous Provisions Act ,1952. Considering the uncertainites on the applicability of the judgement to the Company with respect to timing and components of its compensation structure , past provident fund liability , is currently not determinable . Accordingly , the Company has been advised to await further developments in this matter to reasonably assess the implications on its financial statements, if any .

(c) Contingent Assets - There are no continent assets as on 31 March 2022 and 31 March 2021**.**

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Note 31 : Post retirement benefit plans
i) Defined benefit plans - Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

A. Balance Sheet **(Rs. in lakhs)**

	Defined benefit plans	
	As at 31 March 2022	**As at 31 March 2021**
Present value of plan liabilities	319.73	259.64
Fair value of plan assets	232.57	248.63
Plan liability net of plan assets	**87.16**	**11.01**

B. The amount recognised in the balance sheet and movements in the net defined benefit obligation over the years are as under: -

(Rs. in lakhs)

Particulars	Plan liabilities	Plan assets	Net amount
As at 1 April 2020	376.79	338.14	38.65
Current service cost	97.34	-	97.34
Interest expense/(income)	24.23	21.74	2.49
Total amount recognised in profit or loss	**121.57**	**21.74**	**99.83**
Remeasurements			
Return on plan assets excluding amounts included in interest expense/(income)	-	(0.15)	0.15
(Gain)/loss from changes in financial assumptions	2.73	-	2.73
Experience (gains)/losses	(91.70)	-	(91.70)
Total amount recognised in other comprehensive income	**(88.97)**	**(0.15)**	**(88.82)**
Employer contributions	-	38.65	(38.65)
Benefit payments	(149.75)	(149.75)	-
As at 31 March 2021	**259.64**	**248.63**	**11.01**

(Rs. in lakhs)

Particulars	Plan liabilities	Plan assets	Net amount
As at 1 April 2021	259.64	248.63	11.01
Current service cost	62.31	-	62.31
Interest expense/(income)	16.25	15.57	0.68
Total amount recognised in profit or loss	**78.56**	**15.57**	**62.99**
Remeasurements			
Return on plan assets excluding amounts included in interest expense/(income)	-	1.41	(1.41)
(Gain)/loss from changes in demographic assumptions	(0.05)	-	(0.05)
(Gain)/loss from changes in financial assumptions	(8.94)	-	(8.94)
Experience (gains)/losses	34.56	-	34.56
Total amount recognised in other comprehensive income	**25.57**	**1.41**	**24.16**
Employer contributions	-	11.00	(11.00)
Benefit payments	(44.04)	(44.04)	-
As at 31 March 2022	**319.73**	**232.57**	**87.16**

The weighted average duration of the defined benefit plans is 8 Years

The Company expects to contribute Rs 181.71 lakhs to the funded plans in financial year 2021-2022 (2020-21 : Rs. 73.31 lakhs)

C. Assets **(Rs. in lakhs)**

	Defined benefit plans	
	As at 31 March 2022	**As at 31 March 2021**
Unquoted		
Insurer managed funds	232.57	248.63
Total	**232.57**	**248.63**

D. Significant estimates - actuarial assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

	As at 31 March 2022	**As at 31 March 2021**
Financial Assumptions		
Discount rate	6.70%	6.26%
Salary escalation rate	2.00% p.a. for the next 3 years 5.50% p.a. thereafter	1.00% p.a. for the next 1 year, 2.00% p.a. for the next 3 years 5.50% p.a. thereafter
Employee turnover rate	7% for staff & 13% for operators	7% for staff & 13% for operators

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality (2012-14) Urban table mortality in retirement

E. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

(Rs in lakhs)

	Change in assumption	Increase in assumption		Decrease in assumption	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
Discount rate	1%	(18.67)	(15.34)	21.01	17.33
Salary escalation rate	1%	21.33	17.58	(19.27)	(15.84)
Employee turnover	1%	(0.70)	(0.36)	0.56	0.27

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

F. The defined benefit obligations shall mature after year end 31 March 2022 as follows:

(Rs. in lakhs)

	Defined benefit obligation	
	As at 31 March 2022	As at 31 March 2021
1st Following Year	30.66	25.51
2nd Following Year	32.10	26.48
3rd Following Year	32.47	27.49
4th Following Year	31.94	27.19
5th Following Year	34.10	26.17
6th to 10 th Year	153.04	115.20

(ii) Defined contribution plans :

The Company also has certain defined contribution plans. Contributions are made to provident fund and employees state insurance scheme in India at the fixed percentage of eligible employees salary. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs 428.04 lakhs (31 March 2021: Rs 322.63 lakhs).

(iii) Leave Obligations :

The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year and provision of Rs 149.95 lakhs has been made as at 31 March 2022 (31 March 2021: Rs 118.32 lakhs) .

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Note 32 : Related party disclosures as per IND AS 24:-

A. Relationships	**Country of Incorporation**
a) Holding Company :-	
Raymond Limited	India
b) Fellow Subsidiary Company where transactions have taken place :-	
Silver Spark Apparel Limited	India
c) Joint Venture of Holding company where transactions have taken place :-	
Raymond UCO Denim Private Limited	India

d) Key Management Personnel

Name of Related Party	Relationship
Arun Agarwal (w.e.f. 22 July 2021)	Director
S.K.Gupta (till 22 July 2021)	Director
Prasad Thakur	Manager and Director
Vijay Nana Patil	Director
Aruna Subhramanian (till 19 April 2021)	Company Secretary
Rakesh Darji (w.e.f 28 March 2022)	Company Secretary
Ashok Kumar Bansal	Chief Financial Officer

B. Nature of Transactions

		Year ended 31 March 2022 Rs in lakhs	Year ended 31 March 2021 Rs in lakhs
Rendering of services			
Raymond UCO Denim Private Limited	Joint venture	9,400.19	6,443.10
Silver Spark Apparel Limited	Fellow subsidiary	-	6.34
Reimbursement of expenses / purchase			
Raymond Limited	Holding Company	97.39	95.99
Silver Spark Apparel Limited	Fellow subsidiary	2.45	10.62
Finance cost			
Raymond Limited	Holding Company	147.00	147.00
Machine Hire Charges Paid			
Raymond UCO Denim Private Limited	Joint venture	660.00	660.00
Remuneration Paid			
Ashok Kumar Bansal		32.03	21.85

C. Outstanding balances:

		As at 31 March 2022 Rs in lakhs	As at 31 March 2021 Rs in lakhs
Interest accrued			
Raymond Limited	Holding Company	132.30	135.98
Other financial liabilities			
Raymond Limited	Holding Company	198.76	206.94
Borrowings			
Raymond Limited	Holding Company	1,400.00	1,400.00
Trade receivables			
Raymond UCO Denim Private Limited	Joint Venture	718.13	872.78
Silver Spark Apparels Limited	Fellow subsidiary	-	0.03

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Everblue Apparel Limited
Summary of the significant accounting policies and other explanatory information as at and for the year ended 31 March 2022

Note 33: Financial instruments

a) Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are 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:
1. Fair value of trade receivables, cash and cash equivalent, other current financial asset, short term borrowing, trade payable and other current financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying value and fair value of financial instruments by categories and hierarchy as at 31 March 2022 were as follows:

(Rs in lakhs)

Financial Assets and Liabilities as at 31 March 2022	Routed through statement of profit and loss				Routed through other comprehensive income				Carried at amortised cost				Total Amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial assets													
Other financial assets	-	-	-	-	-	-	-	-	-	-	95.05	95.05	95.05
Trade receivable	-	-	-	-	-	-	-	-	-	-	725.60	725.60	725.60
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	855.92	855.92	855.92
Bank balances other than cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	10.48	10.48	10.48
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,687.05**	**1,687.05**	**1,687.05**

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(Rs in lakhs)

Financial Assets and Liabilities as at 31 March 2022	Routed through statement of profit and loss				Routed through other comprehensive income				Carried at amortised cost				Total Amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial liabilities													
Borrowings	-	-	-	-	-	-	-	-	-	-	1,691.02	1,691.02	1,691.02
Other financial liabilities	-	-	-	-	-	-	-	-	-	-	1,014.18	1,014.18	1,014.18
Trade payables	-	-	-	-	-	-	-	-	-	-	845.74	845.74	845.74
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,550.94**	**3,550.94**	**3,550.94**

The carrying value and fair value of financial instruments by categories and hierarchy as at 31 March 2021 were as follows:

(Rs in lakhs)

Financial Assets and Liabilities as at 31 March 2021	Routed through statement of profit and loss				Routed through other comprehensive income				Carried at amortised cost				Total Amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial assets													
Other financial assets	-	-	-	-	-	-	-	-	-	-	91.97	91.97	91.97
Trade receivable	-	-	-	-	-	-	-	-	-	-	872.81	872.81	872.81
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	332.48	332.48	332.48
Bank balances other than cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	10.00	10.00	10.00
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,307.26**	**1,307.26**	**1,307.26**
Financial liabilities													
Borrowings	-	-	-	-	-	-	-	-	-	-	2,134.28	2,134.28	2,134.28
Other financial liabilities	-	-	-	-	-	-	-	-	-	-	805.84	805.84	805.84
Trade payables	-	-	-	-	-	-	-	-	-	-	394.78	394.78	394.78
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,334.90**	**3,334.90**	**3,334.90**

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Note 34 : Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies.

A) Market Risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control through approved policies and procedures over the entire process of market risk management.

i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(Rs in lakhs)

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Borrowings bearing variable rate of interest	291.03	734.29
50 bp increase- decrease in profits	1.46	3.67
50 bp decrease- Increase in profits	(1.46)	(3.67)

B) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the operating results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

i) Ageing of trade receivables

(Rs in lakhs)

	As at 31 March 2021	**As at 31 March 2021**
Not due	725.31	296.73
0-6 months	0.29	576.08
6-12 months	-	-
Beyond 12 months	-	-
Total	**725.60**	**872.81**

There is no bad debt amount as per experience of previous period.

C) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities:

(Rs in lakhs)

	As at 31 March 2022				**As at 31 March 2021**			
	0-1 years	**1-5 years**	**Beyond 5 years**	**Total**	**0-1 years**	**1-5 years**	**Beyond 5 years**	**Total**
Long term borrowings (Including current maturity of long term debt)	144.33	1,546.69	-	1,691.02	133.22	1,691.72	-	1,824.94
Short-term borrowings	-	-	-	-	309.34	-	-	309.34
Trade payables	845.75	-	-	845.75	394.78	-	-	394.78
Other financial liabilities	881.88	132.30	-	1,014.18	669.87	135.98	-	805.85
Total	**1,871.96**	**1,678.99**	**-**	**3,550.95**	**1,507.21**	**1,827.70**	**-**	**3,334.91**

The company had acccess to the following undrawn facilities at the end of the reporting period :

	As at 31 March 2022	**As at 31 March 2021**
Floating Rate		
Working capital loan	750.00	440.66
Term Loan	-	-

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Note 35 : Capital risk management

The primary objectives of the capital management is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

Company manages its capital structure and makes its adjustments in the light of changes in economic environments.

The Company monitors capital on the basis of the following gearing ratio which is total debt net of cash and cash equivalents divided by total equity. The management monitors the return on capital.

The gearing ratios were as follows:

	As at 31 March 2022 (Rs in lakhs)	As at 31 March 2021 (Rs in lakhs)
Net debt #	967.40	1,937.78
Total equity	1,410.40	1,271.44
Net Debt to Total Equity	69%	152%

In the long run, the Company's strategy is to maintain a gearing ratio between 80% to 160%.

 # Net debt reconciliation

	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents	855.92	332.48
Non- current borrowings	1,691.02	1,824.94
Current borrowings	-	309.34
Interest Payable	132.30	135.98
Net Debt	**967.40**	**1,937.78**

	Cash and cash equivalents	Non current borrowings	Current borrowings	Interest Payable	Total
Net as at 01 April 2020	**2.64**	**1,838.72**	**262.35**	**132.66**	**2,231.09**
Cash flows	329.84	(13.78)	46.99	-	(296.64)
Finance Cost Expense	-	-	-	191.66	191.66
Finance Cost Paid	-	-	-	(188.34)	(188.34)
Net as at 31 March 2021	**332.48**	**1,824.94**	**309.34**	**135.98**	**1,937.78**
Cash flows	523.44	(133.92)	(309.34)	-	(966.70)
Finance Cost Expense	-	-	-	195.45	195.45
Finance Cost Paid	-	-	-	(199.13)	(199.13)
Net as at 31 March 2022	**855.92**	**1,691.02**	**-**	**132.30**	**967.40**

Note 36 : Leases

The Company’s significant leasing arrangements are in respect of office premises and warehouses, etc taken on lease. The arrangements range between 11 months to 3 years and are generally renewable by mutual consent or mutually agreeable terms. Under these arrangements refundable interest–free deposits have been given. All the above leases are cancellable leases and there are no future minimum lease rental payable as at the Balance Sheet Date.

a. The expense relating to payment not included in the measurement of lease liabilities is as follows:

	Year ended 31 March 2022 Rs in lakhs	Year ended 31 March 2021 Rs in lakhs
Short term leases	831.20	704.26
Leases of low value assets	4.13	4.13
Total lease expenses	**835.33**	**708.39**

Note 37 : Analytical Ratios

Ratio	Basis		31 March 2022	31 March 2021	% change
Current ratio	Current Assets / Current Liabilities	Times	1.09	1.00	9%
Debt- Equity Ratio	Total Debt / Total Equity	%	120%	168%	-29%
Debt Service Coverage Ratio #	Earnings for debt service / Debt Service	Times	1.73	1.47	18%
Return on Equity Ratio	Profit After Tax / Average Equity	%	11.66%	4.38%	166%
Inventory Turnover Ratio	Cost of Goods Sold / Avg. Inventory	Times	0.30	1.80	-83%
Trade Receivable Turnover Ratio	Revenue from Operations / Average Trade Receivables	Times	11.86	13.18	-10%
Trade Payable Turnover Ratio	Cost of Goods Sold / Average Trade Payables	Times	0.07	0.17	-59%
Net Capital Turnover Ratio	Revenue from Operations / Working Capital ^	Times	48.20	-29,972.23	-100%
Net Profit Ratio	Net Profit After Tax / Revenue from operations	%	1.65%	0.80%	105%
Return on Capital Employed	Earnings before Interest and Tax / Capital Employed *	%	11.99%	4.89%	145%
Return on Investment ##			NA	NA	NA

Earnings for Debt Service = Net Profit after tax + Depreciation and amortisation expense + Finance costs, Debt Service = Principal Repayments +Finance costs (recognised)

^ Working Capital = Current Assets - Current Liabilities
* Capital Employed = Average of equity and total borrowings
This ratio is not applicable since Company has no investments

Debt- Equity Ratio: Improvement of the 29% is on account of the repayment of the borrowings and increase in the retain earnings during the profit earned in the current year which was affected in the previous year due to COVID-19 pandamic.
Return on Equity Ratio: Improvement of the 116% is on account of the profit earned in the current year which was affected in the previous year due to COVID-19 pandamic.
Inventory Turnover Ratio: This ratio has been impacted since the from the current year Company has started maintaining its inventory which in the previous was not the case considering the nature of services provided to the customers.

Trade Payable Turnover Ratio: Increased by 59% in current year is mainly due to increase in cost of goods sold which in the previous year was affected due to the COVID-19 pandemic.

Net Capital Turnover Ratio : Improvement in current year is mainly due increase in the revenue from operations and improvement in the working capital which was affected in the previous year due to the COVID-19 pandemic.
Net Profit Ratio: Increased by 105% in current year is mainly due to profit for the current year, which in the previous year was loss on account of the COVID-19 pandemic.
Return on Capital Employed : Improvement by 145% in current year is mainly due to profit for the current year which in the previous year was loss due to the COVID-19 pandemic and in current year the borrowings has also been reduced hence showing improvement.

Note 38 : Segment Reporting

The Company's business activity falls within a single primary business segment of "Manufacturing of Denim Garments" as a job processor and one reportable geographical segment which is "within India". Accordingly, the Company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment". Further the Company meets the quantitative threshold as mentioned in Ind AS 108 and hence separate information has been disclosed below:

The Company having combined revenue of more than 10% with the related parties amounts to Rs.9,400.19 lakhs (31 March 2021 : Rs 6,607.98 lakhs). Further there is no external customer having revenue of more than 10%.

Note 39 : The spread of the COVID-19 pandemic and consequent lockdown imposed by the Government of India had temporarily impacted the business of the Company. Company saw significant improvement during the current year in terms of the revenue and in its earnings. However, the Company has considered the possible effects that may result from the pandemic relating to COVID-19 and had taken into consideration internal and certain external sources for estimating the impact on the carrying values of its property, plant and equipment, inventories and receivables and carried out a detailed assessment of its liquidity position for the next one year including the recoverability of carrying value of its assets, and expects to recover the carrying amount of its assets. The impact of COVID-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare Company's financial statements, which may ultimately differ from impact considered as at the date of approval of these financials statements. The Company continues its business activities, in line with the guidelines issued by the Government authorities, take steps to strengthen its liquidity position. The Company does not anticipate any challenges in its ability to continue as going concern or meeting its financial obligations.

This is a summary of significant accounting policies and other explanatory information referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No. 001076N / N500013

Adi P. Sethna
Partner
Membership No.: 108840

Place: Mumbai
Date : 16 May 2022

For and on behalf of Board of Directors

Prasad Thakur
Manager and Director
DIN: 07278555
Place: Mumbai

Vijay Patil
Director
DIN: 07173161
Place: Mumbai

Ashok Kumar Bansal
Chief Financial Officer
Place: Banglore

Rakesh Darji
Company Secretary
Place: Mumbai

Date : 14 May 2022

RAYMOND WOOLLEN OUTERWEAR LIMITED

ANNUAL REPORT 2021-22

BOARD OF DIRECTORS	:	SHRI R. K. BHATNAGAR SHRI H. K. CHATTERJEE SHRI VIJAY PATIL
STATUTORY AUDITORS	:	MESSERS. CHATURVEDI AND SHAH, CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	NEW HIND HOUSE, N. M. MARG, BALLARD ESTATE, MUMBAI, MAHARASHTRA – 400 001.

RAYMOND WOOLLEN OUTERWEAR LIMITED
(CIN: U17120MH2005PLC154066)

DIRECTORS' REPORT

To,
The Members of RAYMOND WOOLLEN OUTERWEAR LIMITED

Your Directors present their Seventeenth Annual Report on the business and operations of the Company along with Audited Financial Statements for the year ended March 31, 2022.

1. FINANCIAL HIGHLIGHTS/ OPERATIONAL PERFORMANCE

During the year, the company earned a Profit after tax of Rs. 0.07 Crore as against a Loss of Rs. 0.12 Crore in the previous year.

2. DIVIDEND

In order to conserve resources, your Company has not declared any dividend for the FY 2021-22.

3. RESERVES

Your company has not transferred any amount to the reserves of the Company.

4. AUDITORS

M/s. Chaturvedi & Shah, LLP Chartered Accountants (ICAI Firm Registration Number 101720W/W100355) were appointed as the Statutory Auditors of the Company at its Annual General Meeting dated June 02, 2017 for a period of 5 years.

The term of Messrs. Chaturvedi & Shah, Chartered Accountants (ICAI Firm Registration Number 101720W/W100355) expires at ensuing Annual General Meeting of the Company and are eligible for re-appointment. Since they have conveyed their unwillingness for being re-appointed as Statutory Auditors, the Board of Directors of the Company has recommended to appoint Messrs MGM & Company, Chartered Accountants (ICAI Firm Registration Number 117963W), as Statutory Auditors of the Company for a term of five years according to Section 139 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no audit qualification in the financial statements by the statutory auditors for the year under review.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is periodically assessed and strengthened with new / revised standard operating procedures.

6. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2022 was Rs 1.94 crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

As on March 31, 2022, Shri Vijay Patil, Director of the Company holds 7,000 Equity shares whereas no other Directors of the Company hold any shares or the convertible instruments of the Company.

7. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There are no Loans, Guarantees and Investments under the provisions of Section 186 of the Companies Act, 2013, accepted or given by the Company.

9. DIRECTORS AND THEIR MEETINGS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Ram Bhatnagar Director, retires by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for re-appointment.

During the year, 4 Board Meetings were convened and held as detailed below.

The Board Meeting held and Attendance of Directors at the Meetings is given below:

Sr. No.	Name of Director	Date of Board Meeting			
		05.05.2021	23.07.2021	22.10.2021	02.02.2022
1.	Shri Ram Bhatnagar	✓	✓	✓	✓
2.	Shri H.K. Chatterjee	✓	✓	✓	✓
3.	Shri Vijay Patil	✓	✓	✓	✓

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

10. RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review are on arm's length basis and in the ordinary course of business and that the provisions of Section 188(1) of the Companies Act, 2013 are not attracted. The Company has developed a Related Party Transactions Manual and Standard Operating Procedures for purpose of identification and monitoring of such transactions.

11. RISK MANAGEMENT

The Company is exposed to risks from market fluctuations of interest rate, commodity price, business risk, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the risks.

12. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a. that in the preparation of the annual financial statements for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. that such accounting policies had been applied consistently and reasonable judgment and estimates have been made that are and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the loss of the Company for the year ended on that date;
c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. that the annual financial statements have been prepared on a going concern basis; and
e. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no commercial activity during the year under review. The Company has not made any capital investment in technology absorption or research & development. Foreign exchange earnings and outgo during the year was Nil.

14. ANNUAL RETURN

A copy of draft Annual Return for F.Y. 2021-22 has been placed at www.raymond.in

15. PARTICULARS OF EMPLOYEES

Since your company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2022 is not applicable.

16. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

17. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l) of the Companies Act, 2013, there were no material changes and commitments for the period under review, which affects the financial position of the Company.

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

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. There were no complaints filed against any of the employees of the Company under this Act.

19. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

20. DISCLOSURES

No application has been made under the Insolvency and Bankruptcy Code. The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

21. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

22. ACKNOWLEDGEMENT

The Board records its appreciations for the co-operation, support and valuable guidance received from Banks, Central and State Government Authorities.

For and on behalf of the Board of
RAYMOND WOOLLEN OUTERWEAR LIMITED

	Sd/-	**Sd/-**
Date : May 14, 2022	**Vijay Patil**	**R. K. Bhatnagar**
Place : Mumbai	**Director**	**Director**
	DIN: 07173161	**DIN: 02313614**

INDEPENDENT AUDITOR'S REPORT

To the Members of Raymond Woollen Outerwear Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Raymond Woollen Outerwear Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, and the Statement of Profit and Loss, Statement of Changes in Equity and 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.

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 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit (including other comprehensive income) , its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibility of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 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 statement 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.

The 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 scepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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.

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provide for any remuneration to its directors during the year.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has no pending litigations as on March 31, 2022

b. The Company has no long term contracts including derivative contracts outstanding as on March 31, 2022

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

d. (a) Management has represented to us that , to the best of it's knowledge and belief , and as disclosed in the notes to the accounts 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, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) Management has represented to us that, to the best of its knowledge and belief, and as disclosed in the notes to the account no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(c) based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances , nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2) (h) (iv) (a) & (b) contain any material misstatement.

e. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 22103418AJJCVC2176

Place: Mumbai
Date: 13 May 2022

Annexure A to Independent Auditor's Report – March 31, 2022

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of Raymond Woollen Outerwear Limited ('the Company') on the financial statements for the year ended March 31, 2022, we report the following:

i. The Company does not have any property, plant and equipment or intangible assets or right of use assets or investment property and accordingly, reporting under clause 3(i) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as the Order) is not applicable to the Company.

ii. As explained to us and on the basis of the records examined by us, the company does not hold any inventory. Accordingly, clause 3(ii) of the Order is not applicable to the Company.

iii. In our opinion and according to the information and explanations provided to us, The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, The Company has not granted any loan or provided any guarantees or security to the parties covered under Section 185 of the Act and the company has not made investment hence, provision of Section 186 of the Act is not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from public and hence the directives issued by Reserve Bank of India and relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), the rules framed there under shall not apply. Accordingly, clause 3(v) of the Order is not applicable to the Company.

vi. According to the information and explanation given to us, pursuant to the rules made by The Central Government of India which does not specify the maintenance of cost record under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

vii. In respect of statutory dues:

(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute

viii. According to the information and explanations given to us and representation given to us by the management, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

ix.

(a) According to the information and explanations given to us, the Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) In our opinion and according to the information and explanations given to us, the Company has not taken any short term loan. Hence reporting under clause 3(ix)(d) of the Order is not applicable.

(e) In our opinion and 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 subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x.

(a) During the year the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi.

(a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies 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 including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year

xii. In our opinion and 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 to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, there are no transactions with the related parties during the year & accordingly there is no requirement for disclosure under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with the companies (Indian Accounting Standards) Rules, 2015.Further, the Company is not required to constitute an Audit Committee Under section 177 of the Act, and Accordingly, to this extent, clause 3(xiii) of the Order is not applicable to the Company.

xiv. According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi.

a) To the best of our knowledge and according to the information and explanations provided to us , the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.

c) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) Based on the information and explanations given to us and as represented by the management of the Company, the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

xvii. The Company has not incurred cash losses during the financial year and the immediately preceding financial year covered by our audit.

xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, reporting under clause 3(xviii) of the order is not applicable to the company.

xix. 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 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 any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us, The Company does not fulfil the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 22103418AJJCVC2176

Place: Mumbai
Date: 13 May 2022

Annexure B to Independent Auditor's Report – March 31, 2022 on the Financial Statements of Raymond Woollen Outerwear Limited

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

We have audited the internal financial controls with reference to financial statement of Raymond Woollen Outerwear Limited ('the Company') as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 ("the 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") and the Standards on Auditing, issued by ICAI and 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 with reference to this financial statement and their operating effectiveness. Our audit of internal financial controls with reference to these financial statement included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with reference to these 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 these 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 Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 22103418AJJCVC2176

Place: Mumbai
Date: 13 May 2022

Raymond Woollen Outerwear Limited
Balance Sheet As at 31 March 2022

(All amounts in INR Lakhs, unless otherwise stated)

		Note	As at 31st March, 2022	As at 31st March, 2021
	ASSETS			
	Non-current Assets			
	a) Financial Assets			
	(i) Investment	2	0.20	0.20
	(ii) Other Financial Assets	3	13.70	-
	b) Asset for Income Tax (Net)	4	1.63	1.79
	c) Other Non-current assets	5	0.10	0.56
	Total Non-current Assets		**15.63**	**2.55**
	Current assets			
	a) Financial Assets			
	(i) Cash and cash equivalents	6	2.90	1.52
	(ii) Other Bank Balances	7	139.11	145.98
	b) Other current assets	8	0.45	0.41
	Total current assets		**142.46**	**147.91**
	Total Assets		**158.09**	**150.46**
	EQUITY AND LIABILITIES			
	Equity			
	Equity share capital	9	194.00	194.00
	Other equity	10	(37.00)	(44.07)
	Total equity		**157.00**	**149.93**
	Current liabilities			
	Financial Liabilities			
	(i) Trade Payables	11	1.06	0.48
	Other current liabilities	12	0.03	0.05
	Total current liabilities		**1.09**	**0.53**
	Total equity and liabilities		**158.09**	**150.46**
	Statement of Significant Accounting Policies.	1		

The accompanying notes are an integral part of these financial statements. (Note No. 1 - 40)

As per our report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration No: 101720W/ W100355

Lalit R. Mhalsekar
Partner
Membership Number. 103418
Place: Mumbai
Date: May 14, 2022

For and on behalf of Board of Directors

Ram Bhatnagar
Director
DIN: 02313614
Place: Mumbai
Date: May 14, 2022

Vijay Patil
Director
DIN:07173161

Raymond Woollen Outerwear Limited
Statement Of Profit And Loss For the Year Ended 31 March 2022

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended 31st March, 2022	Year ended 31st March, 2021
Other Income	13	7.64	12.73
Total Income		**7.64**	**12.73**
Expenses:			
Other Expenses	14	0.57	0.60
Total Expenses		**0.57**	**0.60**
Profit/(Loss) before tax		**7.07**	**12.13**
Exceptional Items		-	-
Profit/(Loss) before tax		**7.07**	**12.13**
Tax Expense		-	-
Profit/(Loss) for the year		**7.07**	**12.13**
Profit/(Loss) for the period		**7.07**	**12.13**
Other Comprehensive Income for the year		**-**	**-**
Total Comprehensive Income for the year		**7.07**	**12.13**
Earnings Per Equity Share of Rs. 10/- each:			
Weighted average number of Equity Shares outstanding during the year	40	19,40,000	19,40,000
- Basic & Diluted earnings per share (Rs.)		**0.36**	**0.63**
Statement of Significant Accounting Policies	1		

The accompanying notes are an integral part of these financial statements. (Note No. 1 - 40)

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration No: 101720W/ W100355

Lalit R. Mhalsekar
Partner
Membership Number. 103418
Place: Mumbai
Date: May 14, 2022

For and on behalf of the Board of Directors

Ram Bhatnagar
Director
DIN: 02313614
Place: Mumbai
Date: May 14, 2022

Vijay Patil
Director
DIN:07173161

Raymond Woollen Outerwear Limited
Cash Flow Statement for the year ended 31st March, 2022

(All amounts in INR Lakhs, unless otherwise stated)

		Note No.	Year ended 31st March, 2022		Year ended 31st March, 2021	
A.	**Cash Flow arising from Operating Activities:**					
	Profit / Loss before tax as per Statement of Profit and loss			7.07		12.13
	Add / (Deduct):					
	Interest Income			(7.64)		(8.43)
	Operating Cash flow before Working Capital Changes			(0.57)		3.70
	Change in Operating Asset and Liabilities					
	(Increase) / Decrease in other current asset		(0.05)		(0.10)	
	(Increase) / Decrease in Non-current asset		0.46		(0.46)	
	Increase / (Decrease) in Trade payables		0.58		(5.21)	
	Increase / (Decrease) in other current liabilities		(0.02)		-	
				0.97		(5.77)
	Cash Inflow/(Out flow) from Operations before tax			**0.40**		**(2.07)**
	Add/(Less) : Tax refund /(paid)			0.16		(0.67)
	Net Cash Inflow / (Outflow) from Operating Activities (A)			**0.56**		**(2.74)**
B.	**Cash Flow arising from Investing Activities :**					
	Interest Received			8.85		9.85
	Redemption of Deposits with Bank			-		-
	Investment of Deposits with Bank			(8.03)		(8.21)
	Net Cash Inflow / (outflow) from Investing Activities (B)			**0.82**		**1.64**
C.	**Cash Flow arising from Financing Activities:**					
	Net Cash Inflow / (Outflow) from Financing Activities (C)			-		-
	Net Increase / (Decrease) in Cash and Cash Equivalents(A+B+C)			1.38		(1.10)
	Cash and Cash Equivalents at beginning of the financial year	6		1.52		2.62
	Cash and Cash Equivalents at the end of financial year	6		**2.90**		**1.52**
	Statement of Significant Accounting Policies	1				

The accompanying notes are an integral part of these financial statements.(Note No. 1 - 40)

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration No: 101720W/ W100355

For and on behalf of the Board of Directors

Lalit R. Mhalsekar
Partner
Membership Number. 103418
Place: Mumbai
Date: May 14, 2022

Ram Bhatnagar
Director
DIN: 02313614
Place: Mumbai
Date: May 14, 2022

Vijay Patil
Director
DIN:07173161

Raymond Woollen Outerwear Limited
Statement of changes in equity

(All amounts in INR Lakhs, unless otherwise stated)

A. Equity Share Capital

	Notes	Amount
As at 31 March-2020	9	194.00
As at 31 March-2021		194.00
As at 31 March-2022		194.00

Current Reporting Period- Year ended March 22

	Notes	As at 31st March, 2022	
		Number of shares	Amount
Equity Shares Capital :			
Balance as at the beginning of the current reporting year	9	19,40,000	194.00
Add: Changes in Equity Share Capital due to prior period errors		-	-
Restated balance at the beginning of the current reporting period		19,40,000	194.00
Changes in equity share capital during the current year		-	-
Balance at the end of the current reporting period		19,40,000	194.00

Previous Reporting Period- Year ended March 21

	Notes	As at 31st March, 2021	
		Number of shares	Amount
Equity Shares Capital :			
Balance as at the beginning of the current reporting year	9	19,40,000	194.00
Add: Changes in Equity Share Capital due to prior period errors		-	-
Restated balance at the beginning of the current reporting period		19,40,000	194.00
Changes in equity share capital during the current year		-	-
Balance at the end of the current reporting period		19,40,000	194.00

B. Other Equity

	Notes	Reserve & Surplus		Total other equity	Total
		Capital Reserve	Retained earning		
Balance at 31 March 2020		49.97	(106.17)	(56.20)	**(56.20)**
Changes in accounting policy or prior period errors		-	-	-	-
Restated balance at the beginning of the current reporting Period	10	-	-	-	-
Profit for the year			**12.13**	**12.13**	**12.13**
Other Comprehensive Income for the year (Remeasurement of defined benefit plan)		-	-	-	-
Balance at 31 March 2021		49.97	(94.04)	(44.07)	(44.07)
Changes in accounting policy or prior period errors		-	-	-	-

Raymond Woollen Outerwear Limited
Statement of changes in equity

(All amounts in INR Lakhs, unless otherwise stated)

Restated balance at the beginning of the current reporting Period		-	-	-	**-**
Profit for the year			**7.07**	**7.07**	**7.07**
Other Comprehensive Income for the year (Remeasurement of defined benefit plan)		-	-	-	**-**
Balance at 31 March 2022		49.97	(86.97)	(37.00)	(37.00)

Statement of Significant Accounting Policies	1	

The accompanying notes are an integral part of these financial statements.(Note No. 1 - 40)

As per our report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration No: 101720W/ W100355

Lalit R. Mhalsekar
Partner
Membership Number. 103418
Place: Mumbai
Date: May 14, 2022

For and on behalf of the Board of Directors

Ram Bhatnagar
Director
DIN: 02313614
Place: Mumbai
Date: May 14, 2022

Vijay Patil
Director
DIN:07173161

Raymond Woollen Outerwear Limited
Note 1 :- STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I. Background

Raymond Woollen Outerwear Limited ('RWOL' or 'the Company') CIN: U17120MH2005PLC154066' incorporated in Mumbai, Maharashtra, India, carries on business of trading in Textile goods. Raymond Woollen Outerwear Limited is 100% subsidiary of Raymond Limited.

II. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting standards) Rules,2015 as ammended and other relevant provisions of the Act.

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.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that are measured at fair value;
2) defined benefit plans - plan assets measured at fair value;

(iii) Current / Non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of schedule III, unless otherwise stated.

(v) Recent accounting development

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost of an item of PPE comprises of its purchase price including import duties and non refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and present value of estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company 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 the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on Factory Building, Plant & Machinery, Electrical Installations and Electrical Equipments and Computers are provided on Straight Line Method (SLM) and on other assets is provided on Written down Value Method (W.D.V), over the estimated useful life of assets.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery which based on an independent technical evaluation has been estimated as 24 years (on a single shift basis) and RFID as 5 years, which is different from that prescribed in Schedule II of the Act.

The residual values are not more than 5% of the original cost of the asset. The asset residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

In case of pre-owned assets, the useful life is estimated on a case to case basis.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(d) Intangible assets

Computer software

Computer software are stated at historical cost, less accumulated amortisation and impairments, if any.

Amortisation method and useful life

The Company amortizes computer software using the straight-line method over the period of 3 years.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(e) Lease

Company as a lessee

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated. The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets.

For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments.

The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been presented in the Balance Sheet as a part of Property, plant and equipment and lease payments have been classified as financing cash flows.

Practical expedient opted by Company:

• For contracts in place at the date of transition, the Company has elected to apply the definition of a lease from Ind AS 17 and Appendix C to Ind AS 17 and has not applied Ind AS 116 to arrangements that were previously not identified as lease under Ind AS 17 and appendix C to Ind AS 17.

• The Company has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of transition of Ind AS 116, being 1 April 2019.

• On transition Company has elected, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months, not recognise right-of-use assets but to account for the lease expense on a straight-line basis over the remaining lease term.

• For those leases previously classified as finance leases, the right-of-use asset and lease liability are measured at the date of initial application at the same amounts as under Ind AS 17 immediately before the date of initial application.

Exemptions availed by Company:

• The Company has elected not to recognise right-of-use assets in below mentioned cases but to account for the lease expense on a straight-line basis over the remaining lease term or on another systematic basis if that basis is more representative of the pattern of the Company's benefit:

• A lease that, at the commencement date, has a lease term of 12 months or less i.e. short-term leases and

• leases for which the underlying asset is of low value

The Company has benefited from the use of hindsight for determining the lease term when considering options to extend and terminate leases.

Measurement and recognition of leases

The Company considers whether contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that convey the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

• the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company

• the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.

• the Company has the right to direct the use of the identified asset throughout the period of use. The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Company as a lessee

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company and any lease payments made in advance of the lease commencement date.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss account as the case may be.

The Company has elected to account for short-term leases and leases of low-value assets using the exemption given under Ind AS 116. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the Company's benefit.

Company as a lessor

Lease income from operating leases where the company is lessor is recognised in income on straight line basis over the lease term.

Critical accounting estimates and judgements

Ind AS 116 requires Company to make certain judgements and estimations, and those that are significant are disclosed below.

Critical judgements are required when an entity is,

- determining whether or not a contract contains a lease
- establishing whether or not it is reasonably certain that an extension option will be exercised
- considering whether or not it is reasonably certain that a termination option will not be exercised
- determining whether or not variable leased payments are truly variable, or in-substance fixed
- for lessors, determining whether the lease should be classified as an operating or finance lease.

Key sources of estimation and uncertainty include:

- calculating the appropriate discount rate.
- estimating the lease term.

(f) Cash and Cash Equivalents

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

(g) Inventories

Inventories of Raw Material, Work in Progress, Finished Goods and Stores & Spares are stated at ‘Cost or Net realizable value whichever is lower’. Goods-in-transit are stated 'at cost'. Cost comprises all cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used is ‘Weighted Average cost'. All the costs incurred on unfinished/finished jobs, but not invoiced and dispatched, under conversion contracts, are carried forward as “Accumulated Costs on Conversion Contracts” at cost or net realizable value whichever is lower. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on past experience of the company.

(h) Investments and other financial assets

i) Classification

The company classifies its financial assets in the following measurement categories:

* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and

* those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

ii) Measurement

At initial recognition, the company measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

* **Amortised cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

* **Fair value through other comprehensive income (FVOCI)**: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest revenue which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss and recognised in other income/expense. Interest income from these financial assets is included in other income using the effective interest rate method.

* **Fair value through profit and loss**: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

Equity instruments:

The Company measures its investment in subsidiaries, jointventures and assocites at cost less immaprment if any. The company subsequently measures all equity investments other than above at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

iv) Derecognition of Financial Assets

A financial asset is derecognized only when

1) The company has transferred the rights to receive cash flows from the financial asset; or

2) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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

v) Derecognition of Financial Assets

Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividends are recognised in the Statement of Profit and Loss only when the light to receive payment is established.

(i) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(j) Derivative financial instruments

Derivative financial instruments such as forward currency contracts, option contract and cross currency swap, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(k) Borrowing

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(l) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to statement of profit and loss.

(m) Financial Liabilities

(i) Financial Liabilities initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(ii) Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(n) Provisions and Contingent Liabilities

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

A contingent asset is disclosed, where an inflow of economic benefits is probable. The Company does not recognize a contingent asset unless the recovery is virtually certain.

(o) Revenue recognition

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

As per IND AS 115 - Revenue from Contracts with Customers, entity shall recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. The control of the products and services were transfer at a time, where in performance obligation and Control of goods or services transferred over a time.

Sale of goods

In case of domestic customer, generally performance obligation satisfied and transferred the control when goods are dispatched or delivery is handed over to transporter, in case of export customers, generally performance obligation satisfied and transferred the control, when goods are shipped onboard based on bill of lading.

Sales Return

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

Revenue from services

Revenue from services is recognised in the accounting period in which the services are rendered.

Other operating revenue - Export incentives

Export Incentives under the “Duty Draw back Scheme”, "Merchandise Exports Incentive Scheme (MEIS)" etc. is accounted in the year of export.

(p) Employees benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised 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.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An acturail valution is obtained at the end of reproting period.The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and

(b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The net interest cost is calculated by actuary 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 employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised 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 as calcualted by acturay are recognised immediately in the Statement of Profit and Loss as past service cost.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss Account as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Company.The interest payable by the Trust is notified by the Government. The Company has an obligation to make good the shortfall, if any.

Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b)when the company recognises costs for are structuring that is within the scope of Ind AS37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(q) Foreign currency transactions

<u>Functional and presentation currency</u>

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The financial statements are presented in Indian rupee (INR), which is Raymond Woollen Outerwear Limited’s functional and presentation currency.

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

(t) Income Tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arrising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determind using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defferd income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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 off set where the company 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.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

(s) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(u) Government Grant :

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions

Government grants relating to income are deferred and recognised in the Statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate and are deducted from the related expenses.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities/current liabilities as deferred income and are credited to the Statement of profit and loss on a straight-line basis over the expected lives of the related assets and presented within other income.

(v) Accounting Policy- Cash Flow:

Cash flows are reported using the indirect method, whereby profit for the period 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 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. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

III. Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material
adjustment to the carrying amounts of asets and liabilities within the next financial year, are described below:

1) Taxes**:** The Company provides for tax considering the applicable tax regulations and based on probable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event, if required, as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized.

2) Provisions and Contingent liabilities are reviewed at each balance sheet date and adjusted to reflect best estimate.

3) Estimate with respect to uncertainities related to COVID-19. (Refer Note 25)

Raymond Woollen Outerwear Limited
Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

Note 2 - Investment

Particulars	As at 31st March, 2022	As at 31st March, 2021
Investments in Government Securities -		
Unquoted - National Saving Certificates (deposited with a Government Department as Security)	0.20	0.20
Total	**0.20**	**0.20**

Note 3 - Other Financial Assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
Bank deposit with greater than 12 months maturity	13.70	-
Total	**13.70**	**-**

Note 4 - Asset for Income tax (Net)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advance Tax (Net)	1.63	1.79
Total	**1.63**	**1.79**

Note 5 - Other non-current assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance with government authorities		0.46
Security Deposits	0.10	0.10
Total	**0.10**	**0.56**

Note 6 - Cash and Cash Equivalents

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance with Banks		
-In Current Accounts	2.90	1.52
Cash on hand		-
Total	**2.90**	**1.52**

Note 7 - Other Bank Balances

Particulars	As at 31st March, 2022	As at 31st March, 2021
Bank deposit with less than 12 months maturity	134.74	140.41
Interest receivable on deposit with banks	4.25	5.45
Interest receivable - others	0.12	0.12
Total	**139.11**	**145.98**

Note 8 - Other Current Assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance with government authorities, considered good	0.45	0.41
Total	**0.45**	**0.41**

Raymond Woollen Outerwear Limited
Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

Note 9 -Equity Share Capital

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number	Amount	Number	Amount
Authorised				
20,000,000 (March 31, 2021: 20,000,000) Equity Shares of Rs.10 each	2,00,00,000	2,000.00	2,00,00,000	2,000.00
Issued, Subscribed & Paid up				
1,940,000 (March 31, 2021: 1,940,000) Equity Shares of Rs.10/- each	19,40,000	194.00	19,40,000	194.00
Total		**194.00**		**194.00**

a) Movement in equity share capital

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	Amount	No. of shares	Amount
Equity Shares:				
Balance as at beginning of the year				
Equity Shares of Rs.10/- each fully paid	19,40,000	194.00	19,40,000	194.00
Add: Shares issued during the year	-	-	-	-
Balance as at the end of the year	**19,40,000**	**194.00**	**19,40,000**	**194.00**

Current Reporting Period- Year ended March 22

	As at 31st March, 2022	
	No. of shares	Amount
Equity Shares Capital :		
Balance as at the beginning of the current reporting year	19,40,000	194.00
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	19,40,000	194.00
Changes in equity share capital during the current year		
Balance at the end of the current reporting period	**19,40,000**	**194.00**

Previous Reporting Period- Year ended March 21

	As at 31st March, 2021	
	No. of shares	Amount
Equity Shares Capital:		
Balance as at the beginning of the current reporting year	19,40,000	194.00
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	19,40,000	194.00
Changes in equity share capital during the current year		
Balance at the end of the current reporting period	**19,40,000**	**194.00**

b) Rights Preferences & Restrictions attached to each class of shares:-

Equity Shares:- The Company has only one class of equity share having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the board of directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding. However, shares forfeited do not carry any rights as referred above.

c) Shares held by the Holding Company

Particulars	As at 31st March, 2022	As at 31st March, 2021
Equity Shares of Re. 10 each held by:		
19,31,000 Shares [31st March, 2021: 19,31,000] held by Raymond Limited, the holding company (including Shares jointly held with nominee Shareholders)	19,31,000	19,31,000

Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	Percentage	No. of shares	Percentage
Equity Shares :				
Raymond Limited, the holding company	19,31,000	99.54%	19,31,000	99.54%

The Company has authorised preference shares capital of Rs. 4000 lakhs comprising of 40,000,000 shares having face value of Rs.10/- each (March 31 2021: 40,000,000)

Raymond Woollen Outerwear Limited

Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

Note 10 - Other Equity

	Capital Reserve	Retained earning	Total
Balance as at 31st March, 2020	49.97	-106.17	**-56.20**
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the current reporting Period			-
Profit for the year	-	12.13	**12.13**
Other Comprehensive Income for the year (Remeasurement of defined benefit plan)		-	-
Balance as at 31st March, 2021	49.97	-94.04	**-44.07**
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the current reporting Period	-	-	-
Profit for the year	-	7.07	**7.07**
Other Comprehensive Income for the year (Remeasurement of defined benefit plan)	-	-	-
Balance as at 31st March, 2022	49.97	-86.97	**-37.00**

Note 11 - Trade Payables

Trade Payables Ageing Schedule as at 31st March 2022

Particulars	Outstanding Outstanding for following periods from due date of payment		
	Less than 1 year	1-2 years	Total
(i) MSME (ii) Others (iii) Disputed dues – MSME (iv) Disputed dues – Others	0.58	0.48	1.06

Trade Payables Ageing Schedule as at 31st March 2021

Particulars	Outstanding Outstanding for following periods from due date of payment		
	Less than 1 year	1-2 years	Total
(i) MSME (ii) Others (iii) Disputed dues – MSME (iv) Disputed dues – Others	0.48		0.48

Note 12 - Other Current Liabilities

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**
Statutory Dues	0.03	0.05
Total	**0.03**	**0.05**

Raymond Woollen Outerwear Limited
Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

Note 13 - Other Income

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest Income	7.64	8.43
Excess Provision Reversal		4.30
Total	**7.64**	**12.73**

Note 14 - Other Expenses

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Legal and Professional Expenses	0.26	0.05
Auditor's remuneration	0.30	0.50
Rates and taxes	-	-
Miscellaneous Expenses	0.01	0.05
Total	**0.57**	**0.60**

(All amounts in INR Lakhs, unless otherwise stated)

15 Contingent Liabilities and Commitments (to the extent not provided for) - Rs. Nil (March 31 2021: Rs.Nil)
Foreseeable Losses
The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ applicable accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

Note on pending litigations
The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

16 Related Party Transactions

a. Parent Entity

Name	**Type**
Raymond Limited	Immediate and Ultimate parent entity

b. Transactions carried out with related parties :

Particulars	**Amount**	
	2021-22	**2020-21**
Sale of products	-	-
Reimbursement of Expenses (net)	-	-

c. Outstanding balances as at year end :

Particulars	**Amount**	
	2021-22	**2020-21**
Advance against Sales	-	-
Trade Receivables	-	-

17 Deferred Tax
In view of reduction of business activities in the current year, the Company may not have future taxable profits pertaining Business and Professional. Accordingly, deferred tax assets has not been recognized on unabsorbed losses and depreciation under the Income Tax Act, 1961.

Tax losses :

	31-Mar-22	**31-Mar-21**
Unabsorbed deprecation for which no deferred tax asset has been recognised	127.59	127.59
Potential tax benefit for @ 26% (26%)	33.17	33.17
Unabsorbed short term capital loss for which no deferred tax asset has been recognised	32.14	32.14
Potential tax benefit for @ 26% (26%)	8.36	8.36
Unabsorbed business loss for which no deferred tax asset has been recognised	2.08	9.14
Potential tax benefit for @ 26% (26%)	0.54	2.38

18 Segment Information

The Company's business activity falls within a single primary business segment of trading in Grey Woollen Fabric. The business is being carried on only in India with a single customer - Raymond Limited (Holding Company).

19 Financial Risk Management

a) Credit risk

Company has fully invested in Bank deposit thus Company does not foresee any credit risk.

b) Liquidity Risk

Company has no borrowings thus Company does not foresee and liquidity risk.

C) Market Risk

Company has no foreign currency exposure and does not have hedge position in currency market, thus Company does not foresee any market risk.

Raymond Woollen Outerwear Limited

Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

20 Fair value measurement

Particulars	31st March, 2022			31st March, 2021		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets						
Investment						
Unquoted - Government Securities	-	-	0.20	-	-	0.20
Trade receivables	-	-	-	-	-	-
Cash and Cash equivalents	-	-	2.90	-	-	1.52
Other financial assets	-	-	139.11	-	-	145.98
Other Non-Current financial assets	-	-	13.70	-	-	-
Total Financial Asset	**-**	**-**	**155.91**	**-**	**-**	**147.70**
Financial Liabilities						
Trade Payables	-	-	1.06	-	-	0.48
Other Current liabilities	-	-	0.03	-	-	0.05
Total Financial Liabilities	**-**	**-**	**1.09**	**-**	**-**	**0.53**

Asset and liabilities which were measured at amortised cost at 31 March 22	Notes	Level 1	Level 2	Level 3	Total
Financial Asset					
Investment					
Unquoted - Government Securities	2	-	-	0.20	0.20
Cash and Cash equivalents	6	-	-	2.90	2.90
Other Financial asset					
Deposit with Banks with greater than 12 months maturity	3	-	-	13.70	13.70
Deposit with Banks	7	-	-	139.11	139.11
Total Financial Asset		**-**	**-**	**155.91**	**155.91**
Financial Liabilities					
Trade Payables	10	-	-	1.06	1.06
Other Current liabilities	11			0.03	0.03
Total Financial Liabilities		**-**	**-**	**1.09**	**1.09**

Asset and liabilities which were measured at amortised cost at 31 March 21	Notes	Level 1	Level 2	Level 3	Total
Financial Asset					
Investment					
Unquoted - Government Securities	2	-	-	0.20	0.20
Cash and Cash equivalents	6	-	-	1.52	1.52
Other Financial asset					
Deposit with Banks with greater than 12 months maturity	3	-	-		-
Deposit with Banks	7	-	-	145.98	145.98
Total Financial Asset		**-**	**-**	**147.70**	**147.70**
Financial Liabilities					
Trade Payables	10	-	-	0.48	0.48
Other Current liabilities	11			0.05	0.05
Total Financial Liabilities		**-**	**-**	**0.53**	**0.53**

The carrying amounts of trade receivables, trade payables , other financial liabilities and cash equivalents are considered to be same as their fair values, due to their short term nature.

(All amounts in INR Lakhs, unless otherwise stated)

21 Capital Management

a) Risk Management

The Company has no debts thus Company do not foresee any capital risk.

b) Dividend

The Company has not paid dividend thus company has no dividend liability to be paid.

22 Events occurring after the reporting period

There are no events which have occurred after the reporting period having any material impact on the Financial Statement.

23 The Company's business activity has significantly reduced due to lack of orders. The management of the Company is of the view that business will be revived and further the company have adequate funds to meet its future requirements. Hence the management considered it appropriate to prepare the financial statement of the Company on going concern basis.

24 The Financial Statements were authorised for issue by the directors on 25th April,2022

25 2. In March 2020, the World Health Organisation declared COVID-19 a global pandemic. Consequent to this, Government of India declared a nation-wide lockdown from 24th March 2020. Subsequently, the nation-wide lockdown was lifted by the Government of India, but regional lockdowns continue to be implemented in areas with significant number of COVID-19 cases. Although, the Company witnessed significant improvement in its operations during the current year, the Company remains watchful of the potential impact of COVID-19 pandemic, particularly the “second wave”, on resuming normal business operations on a continuing basis. Accordingly, the Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial results, to determine the impact on the Company’s revenue from operations and estimation of sales related expenses over the foreseeable future and the recoverability and carrying value of certain assets such as property, plant and equipment, investments, inventories, trade receivables, deferred tax assets and input tax credit receivables.

The impact of Covid-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare Company’s financial results, which may differ from impact considered as at the date of approval of these financials results. The Company continues its business activities, in line with the guidelines issued by the Government authorities, taken steps to strengthen its liquidity position and further explore cost restructuring exercise. The Company does not anticipate any major challenge in its ability to continue as going concern or meeting its financial obligations. As the situation is unprecedented, the Company is closely monitoring the situation as it evolves in the future.

26 To the best of knowledge and belief the company, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities (‘the intermediaries’), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (‘the Ultimate Beneficiaries’) or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.

Also to the best of knowledge and belief of the company, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (‘the Funding Parties’), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (‘Ultimate Beneficiaries’) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Other statutory information

27 DETAILS OF BENAMI PROPERTY HELD

The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

28 RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company do not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

29 WILLFUL DEFAULTER

The Company has not been declared a willful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

30 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

31 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

32 The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(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.

33 The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company 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.

34 UNDISCLOSED INCOME

The Company has not 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.

35 BORROWINGS OBTAINED ON THE BASIS OF SECURITY OF CURRENT ASSETS

During the current year , the Company does not borrow any fund and hence this clause is not applicable.

36 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

During the current year , the Company does not borrow any fund and hence this clause is not applicable

37 REVALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year

38 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017

Raymond Woollen Outerwear Limited
Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

39 Financial Ratios

Particulars	31st March -2022	31st March -2021	Variation %	Reason
Current Ratio	130.53	276.99	-53%	1
Debt- Equity Ratio	NA	NA	NA	
Debt- Service Coverage Ratio	NA	NA	NA	
Return on equity Ratio	0.05	0.08	-44%	2
Inventory Turnover Ratio	NA	NA	NA	
Trade receivable Turnover Ratio	NA	NA	NA	
Trade Payable turnover Ratio	NA	NA	NA	
Net Capital Turnover Ratio	NA	NA	NA	
Net profit Ratio	NA	NA	NA	
Return on Capital employed Ratio	0.05	0.08	-44%	2
Return on Investment	0.05	0.08	-44%	2

1 FDs of Rs 13 Lakhs deposited in current yaer for maturity beyond 12 months were categorised as Non-Current and hence reduction in Current Ratio.

2 No longer required Provision of Rs 4.30 Lacs were written off in previous year ended on 31st March 2021 whereas no such credit reported in current year ended on 31st March 2022 and hence Return percentage dropped to 5% from 8%

40 Earnings per share

Particulars	31st March -2022	31st March -2021
Basic and Diluted Earing Per Share		
Profit attributable to the equity share holders	7.07	12.13
Weighted average number of Equity Shares outstanding during the year	19,40,000	19,40,000
Basic and Diluted Earing Per Share (Rs.)	0.36	0.63

As per our report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration No: 101720W/ W100355

For and on behalf of the Board of Directors

Lalit R. Mhalsekar
Partner
Membership Number. 103418
Place: Mumbai
Date: May 14, 2022

Ram Bhatnagar
Director
DIN: 02313614
Place: Mumbai
Date: May 14, 2022

Vijay Patil
Director
DIN:07173161

RING PLUS AQUA LIMITED

ANNUAL REPORT 2021-22

BOARD OF DIRECTORS	:	**SHRI RAVIKANT UPPAL, CHAIRMAN** **SHRI BHUWAN KUMAR CHATURVEDI** *Non-Executive Director* **SHRI GANESH KUMAR SUBRAMANIAN** Non-Executive Director (Resigned w.e.f. 31.01.2022) **SHRI V. BALASUBRAMANIAN** *(Whole-time Director till 15.11.2021* *Non-Executive Director w.e.f. 16.11.2021)* **SHRI PARTHIV KILACHAND** *Independent Director* **SHRI SHIV SURINDER KUMAR** Independent Director **SHRI SATISH CHAND MATHUR** *Additional - Independent Director* *(Appointed w.e.f 15.09.2021)*
CHIEF FINANCIAL OFFICER	:	SHRI SITESH MAHESHWARI
COMPANY SECRETARY	:	MISS RESHMA RAMCHANDANI
STATUTORY AUDITORS	:	M/S. PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
SECRETARIAL AUDITOR	:	M/S. DM & ASSOCIATES, COMPANY SECRETARIES LLP
INTERNAL AUDITORS	:	M/S. ERNST & YOUNG LLP, CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	D-3, 4 SINNAR TALUKA AUDYOGIK VASAHAT MARYADIT VILLAGE MUSALGOAN, TALUKA SINNAR, NASIK 422112, MAHARASHTRA, INDIA
REGISTRAR AND **SHARE TRANSFER AGENT**	:	LINK INTIME INDIA PRIVATE LIMITED C-101, 247 PARK, LBS MARG, VIKHROLI WEST MUMBAI –400083
ISIN	:	INE093H01012

RING PLUS AQUA LIMITED
(CIN: U99999MH1986PLC040885)
BOARD'S REPORT

To,
The Members of RING PLUS AQUA LIMITED
(the 'Company')

Your Directors present their Thirty Fifth Annual Report on the business and operations of the Company together with the Audited Financial Statement for the financial year ended March 31, 2022.

1. **FINANCIAL SUMMARY & HIGHLIGHTS OF PERFORMANCE**
The Gross Revenue of the Company for the Financial Year 2021-22 stood at Rs. 323.89 crores (Previous Year: Rs. 203.69 crores). During the year under review, your Company made profit before tax of Rs. 51.58 crores (Previous Year: Profit Rs. 28.58 crores).

2. **MATERIAL CHANGES AND COMMITMENT – IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT**
There has been no material change and commitment, affecting the financial performance of the Company which occurred between the end of the financial year of the Company to which the financial statement relate and the date of this Report, except for the change in the holding company of the Company from Scissors Engineering Products Limited to JK Files & Engineering Limited (formerly known as JK Files (India) Limited). There is no change in the nature of your Company's business during the year under review.

3. **STATE OF THE COMPANY'S AFFAIRS**
During the year under review, your Company enjoyed cordial relationship with all stakeholders.

4. **DIVIDEND**
During the year under review, the Company had paid interim dividend of Rs. 93/- per equity share of Rs. 10/- each aggregating to Rs. 72.14 crores, out of the balance in accumulated Profit and Loss Account of the Company. The said interim dividend be considered as final dividend for the Financial Year ended March 31, 2022.

5. **RESERVES**
Your Company has not transferred any amount to the reserves of the Company.

6. **OPERATIONS**
Your Company is in the business of manufacturing and exporting Ring Gears, Flexplates, Water Pump Bearings, machined components, both for auto and non-auto sector.

Your Company is a key supplier of components in its product category and these products are going to remain key and a top priority going forward as well. In addition, the Company has started pilot supplies of new products and increase its product portfolio.

On the backdrop of strong initiatives on increasing share of business with existing customers and new business development efforts in earlier years, your Company has strong order book from customers in domestic and export markets. The Company already started ramping-up its resources and gearing up to meet this demand and taken up capacity expansion projects for both Ring Gears and Water Pump bearings. These capacity will be available from first quarter of FY 2022-23. There was some impact during the surge in infections during second-wave of COVID-19 in FY2021-22 but your Company has implemented various action plans to secure operations and supply chain so that production of its key products was not impacted. Your Company has implemented all necessary precautions to safeguard the well-being of its employees and observing stipulated guidelines issued by government authorities from time to time.

Your Company has delivered a robust growth of 59% in total revenues during the FY2021-22 over previous year. Though the COVID-19 pandemic impacted the automotive demand for Passenger cars and Commercial vehicles across the globe as well as the non-automotive demand but the efforts by your Company in increasing the share of business with customers and developing new businesses has helped your Company in delivering robust performance. The pent-up demand of the lockdown period and the strong economic revival in most parts of the world including India supported by good monsoon, aided in the strong surge in demand for the passenger segment and agricultural tractors. Your Company managed to ramp-up the resources needed to manage the demand.

Your Company, continued its focus on operational excellence, relentless cost reduction measures, lean manufacturing practices and improvised supply chain management with tight control on working capital. These measures supported in mitigating the impact on the margins and improving cash flows.

7. STATUTORY AUDITORS

M/s. Price Waterhouse Chartered Accountants LLP (ICAI Firm Registration Number 012754N/N500016) registered with the Institute of Chartered Accountants of India, were appointed as the Statutory Auditors of the Company for a period of 5 years at the Annual General Meeting (‘AGM’) held on June 26, 2017 to hold office from the conclusion of 30th AGM till the conclusion of 35th AGM, at a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors.

Accordingly, the term of Statutory Auditors is ending at the conclusion of the upcoming AGM. The Board of Directors at their meeting held on May 12, 2022 (basis the recommendation of the Audit Committee) has considered their re-appointment of M/s. Price Waterhouse Chartered Accountants LLP as the Statutory Auditors for a second term of five years i.e. to hold office from the conclusion of the 35th AGM of the Company till the conclusion of the 40th AGM, for approval of the members at the ensuing AGM.

8. AUDITORS’ REPORT

There is no audit qualification in the standalone financial statement by the Statutory Auditors for the year under review.

9. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an adequate and effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new/revised standard operating procedures.

The Company has entrusted the internal and operational audit to M/s. Ernst & Young LLP Chartered Accountants.

The Internal Auditors independently evaluate the adequacy of the internal controls and audit the critical areas every year. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken. Independence of the audit is ensured by direct reporting of Internal Auditors to the Audit Committee of the Board.

10. SHARE CAPITAL

The Authorised Share Capital of the Company is Rs. 30,00,00,000 and the paid up Equity Share capital of the Company is Rs. 7,75,66,710. The Company has not issued shares with differential voting rights nor sweat equity.

11. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Balasubramanian Vishwanathan (DIN:05222476) retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

During the year under review, the designation of Shri Balasubramanian Vishwanathan (DIN:05222476) changed from Whole-time Director to Non-Executive Director (w.e.f. November 16, 2021).

During the year under review, Shri Satish Chand Mathur (DIN: 03641285) was appointed as the Additional Director designated as Independent Director (w.e.f. September 15, 2021) and Shri Ganeshkumar Subramanian resigned as the Director of the Company (w.e.f. January 31, 2022) due to pre-occupation.

Independent Directors have given their declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and is registered with the Institute of Corporate Affairs.

In the opinion of the Board, the Independent Directors are independent of the management, possess the requisite integrity, experience, expertise, proficiency and qualifications.

As on 31st March, 2022, your Company has the following KMPs:

Sr.No.	Name of the Person	Designation
1	Shri V. Balasubramanian	Whole-time Director till November 15, 2021 Non-Executive Director (w.e.f. November 16, 2021)
2	Shri Sitesh Maheshwari	Chief Financial Officer
3	Ms. Reshma Ramchandani	Company Secretary

14. BOARD MEETINGS

During the year, nine Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The Board Meetings were held on May 3, 2021, July 26, 2021, September 27, 2021, October 25, 2021, November 16, 2021, November 30, 2021, January 19, 2022, February 15, 2022 and March 8, 2022.

Sr. No.	Date of the Board Meetings	Name of the Directors						
		Shri Ravikant Uppal	Shri B. K. Chaturvedi	Shri Parthiv Kilachand	Shri Shiv Surinder Kumar[1]	Shri V. Balasubramanian	Shri Satish Chand Mathur[2]	Shri Ganeshkumar Subramanian[3]
1	May 3, 2021	✓	✓	✓	N.A.	✓	N.A.	✓
2	July 26, 2021	✓	✓	✓	✓	✓	N.A.	✓
3	September 27, 2021	✓	✓	✓	✓	✓	✓	✓
4	October 25, 2021	✓	✓	✓	✓	✓	✓	✓
5	November 16, 2021	✓	✓	✓	LOA	✓	✓	✓
6	November 30, 2021	✓	✓	✓	✓	✓	✓	✓
7	January 19, 2022	✓	✓	✓	✓	✓	✓	✓
8	February 15, 2022	✓	✓	✓	✓	✓	✓	N.A.
9	March 8, 2022	✓	✓	LOA	✓	✓	✓	N.A.

[1] Shri Shiv Surinder Kumar was appointed as Independent Director w.e.f. June 19, 2021;

[2] Shri Satish Chand Mathur was appointed as Additional Independent Director w.e.f. September 25, 2021;

[3] Shri Ganeshkumar Subramanian resigned as Non-Executive Director w.e.f. January 31, 2022.

15. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The Independent Directors of the Company met on March 30, 2022, without the presence of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors and the Board of Directors as a whole; review the performance of the Chairman of the Company and to assess the quality, quantity and timeliness of flow of information between the management and the board of directors.

The Directors expressed their satisfaction with the evaluation process and shared their suggestions.

16. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

17. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

18. COMMITTEES OF THE BOARD

With a view to have a more focused attention on the business and for better governance and accountability, the Board constituted the following committees:

a. Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014, the composition of the Audit Committee is as follows.

The Composition of the Committee as on March 31, 2022 is as under:

1. Shri Parthiv Kilachand : Independent Director, Chairman
2. Shri Shiv Surinder Kumar : Independent Director, Member
3. Shri B.K. Chaturvedi : Non-Executive Director, Member

The terms of reference of the Audit Committee are determined by the Board and their relevance reviewed from time to time.

During the year, seven meetings of the Audit Committee were held viz., May 3, 2021, July 26, 2021, October 25, 2021, November 30, 2021, January 19, 2022, February 15, 2022 and March 8, 2022.

Sr. No.	**Date of the Audit Committee Meeting**	**Name of the Committee Member**			
		Shri Parthiv Kilachand	**Shri Ganeshkumar Subramanian***	**Shri Shiv Surinder Kumar**	**Shri B.K. Chaturvedi**
1.	May 3, 2021	✓	✓	N.A.	N.A.
2.	July 26, 2021	✓	✓	N.A.	N.A.
3.	October 25, 2021	✓	✓	✓	N.A.
4.	November 30, 2021	✓	✓	✓	N.A.
5.	January 19, 2022	✓	✓	✓	N.A.
6.	February 15, 2022	✓	N.A.	✓	✓
7.	March 8, 2022	LOA	N.A.	✓	✓

*Shri Ganeshkumar Subramanian resigned w.e.f. January 31, 2022.

b. Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013 and Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Board of Directors has constituted the Nomination and Remuneration Committee. The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

The Board has clearly defined terms of reference for the Nomination and Remuneration Committee, which are as follows:

- to help in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/re-appointment and removal of Directors;
- to frame criteria for determining qualifications, positive attributes and independence of Directors;
- to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
- to create an evaluation framework for Independent Directors and the Board;
- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;
- delegation of any of its powers to any Member of the Committee or the Company Secretary.

The Composition of the Committee as on March 31, 2022 is as under:

1. Shri Shiv Surinder Kumar : Independent Director, Chairman
2. Shri Parthiv Kilachand : Independent Director, Member
3. Shri Satish Chand Mathur : Additional Independent Director, Member

During the year, one Meeting of the Nomination and Remuneration Committee was held on May 3, 2021. Shri Parthiv Kilachand and Shri Ganeshkumar Subramanian (the members then) were present at the said meeting.

The policy is also displayed on the Company's website https://ringplusaqua.com/ .

c. Committee of Directors

For administrative convenience, a Committee of the Board of Directors of the Company was constituted by the Board of Directors of the Company for handling day to day affairs of the Company.

The Composition of the Committee as on March 31, 2022 is as under:

1. Shri B.K. Chaturvedi : Non-Executive Director, Chairman
2. Shri V. Balasubramanian : Non-Executive Director, Member

During the year, four meetings of the Committee of Directors were held on July 26, 2021, September 27, 2021, October 25, 2021 and February 15, 2022, attended by both the Committee members.

d. Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company constituted the Corporate Social Responsibility ("CSR") Committee and spent an amount of Rs. 68 Lacs in pursuance of its CSR. A report on CSR activities and the contents of Corporate Social Responsibility policy annexed as "**Annexure A.**"

The policy is also displayed on the Company's website https://ringplusaqua.com/ .

The Composition of the Committee as on March 31, 2022, is as under:

1. Shri Parthiv Kilachand : Independent Director, Chairman
2. Shri V. Balasubramanian : Non-Executive Director, Member
3. Shri Satish Chand Mathur : Additional Independent Director, Member

During the year, no Meeting of Corporate Social Responsibility Committee was held. Three resolutions were passed by circulation on September 3, 2021, November 11, 2021 and March 14, 2022).

19. MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013, IF ANY:

As such, the provision for maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the company.

20. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Pursuant to Section 177(9) of the Companies Act, 2013, your Company has formulated the Vigil Mechanism/Whistle Blower policy to report genuine concerns to be disclosed.

21. RELATED PARTY TRANSACTIONS

The Audit Committee approves all the Related Party Transactions in compliance with the provisions of the Companies Act, 2013. Omnibus approval is obtained from the Audit Committee on a yearly basis for transactions which are repetitive in nature. Details of all related party transactions are placed before the Audit Committee and the Board for review and approval/ noting on a quarterly basis.

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the year under review were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

22. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company does not have any subsidiaries, joint ventures or associate companies during the year under review.

23. RISK MANAGEMENT

Your Company is exposed to risks from market fluctuations of foreign exchange, interest rates, commodity prices, business risks, compliance risks and people's risk. These risks are assessed and steps as appropriate are taken to mitigate these risks. The Audit Committee reviews and monitors the risks associated with the Company on a timely basis.

24. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge, belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013:

a. that in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b. that the Directors have 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 as at March 31, 2022 and of the Profit of the Company for the year ended on that date;
c. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. the annual accounts have been prepared on a going concern basis; and
e. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that the systems were in place and were adequate and operating effectively.

25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details as prescribed under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is given in "**Annexure B**".

26. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder, the Company has appointed M/s. DM & Associates, Company Secretaries LLP (ICSI Unique Code L2017MH003500) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed as **"Annexure C"** and forms an integral part of this Report.

There is no secretarial audit qualification for the year under review.

27. ANNUAL RETURN

The details regarding Annual Return will be hosted at the website of the Company. The web-link of the same is https://ringplusaqua.com/ .

28. PARTICULARS OF EMPLOYEES

Since your Company is not a listed Company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2022 is not applicable.

29. EMPLOYEE STOCK OPTION PLAN

The Company has instituted Ring Plus Aqua Limited - Employee Stock Option Scheme 2019 ("RPAL ESOP 2019"), pursuant to the approval of the shareholders of the Company at their Extra Ordinary General Meeting held on March 1, 2019. The RPAL ESOP 2019 is designed to provide incentives to employees for long term value creation. Participation in the aforesaid plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. Once vested, the options remain exercisable for a period of one year. Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share of face value Rs. 10 per share. Under RPAL ESOP 2019, Nomination and Remuneration Committee, on March 4, 2019, had approved to offer a grant of 1,26,210 Options and the Company has granted 111,947 stock options for fair value of option determined on April 26, 2019 i.e. the date of grant. During the year,3715 options lapsed due to resignation of employees and hence, Options outstanding as on March 31, 2022 are 108,232.

Accordingly, effect of Share Based Payments on the Company's Statement of Profit or Loss forms part of the notes to the Financial Statement.

Disclosure in terms of Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 of the Companies Act, 2013 is annexed herewith as "**Annexure D**". The Company's management ensures compliance with all applicable provisions.

30. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints, redressal for the benefit of its employees. There were no complaints filed against any of the employees of the Company under this Act.

31. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

There were no significant and material orders issued against the Company by any regulating authority or court or tribunal affecting the going concern status and Company's operation in future.

32. OTHER DISCLOSURES

No application has been made under the Insolvency and Bankruptcy Code. The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

33. **ACKNOWLEDGEMENT**

Your Directors express their appreciation to all the employees for their dedication and commitment. The Directors also extend their appreciation to the Banks, customers, dealers, agents, suppliers for their support and co-operation.

For and on behalf of the Board
For **RING PLUS AQUA LIMITED**

Shri Ravikant Uppal	**Shri V. Balasubramanian**
Chairman	**Director**
DIN: 00025970	**DIN: 05222476**
Delhi	**Thane**
May 12, 2022	**May 12, 2022**

Annexure A

Annual Report on CSR Activities

1. Brief outline of the Company's CSR Policy:
   The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society. CSR at our Company goes beyond business and extends to the implementation of socially relevant activities for the benefit of society at large.
   The CSR Policy was approved by Board on October 27, 2014 and has been uploaded on the Company's website at https://ringplusaqua.com/ . A gist of the program that the Company can undertake under the CSR policy is mentioned below.

2. The composition of the CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Parthiv Kilachand[1]	Chairman, Independent Director	None	NA
2	Shri V. Balasubramanian	Member, Non-Executive Director	None	NA
3	Shri Ganeshkumar Subramanian[2]	Member, Non-Executive Director	None	NA
4	Shri Satish Chand Mathur[3]	Member, Additional Independent Director	None	NA

Notes:
1. *Shri Parthiv Kilachand was nominated as the Chairman of the CSR Committee w.e.f. July 26, 2021;*
2. Shri Ganeshkumar Subramanian *resigned as the Director w.e.f. January 31, 2022;*
3. Shri Satish Chand Mathur was appointed as the Members of the CSR Committee w.e.f. February 1, 2022.

The CSR Committee passed three resolutions through circulation on September 3, 2021, November 11, 2021 and March 14, 2022.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://ringplusaqua.com/ .

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable

6. Average net profit of the company as per section 135(5): Rs. 3,383.19 Lakh

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 68 Lakh
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
   (c) Amount required to be set off for the financial year, if any: NIL

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 68 Lakh

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year 2021-22 (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
68 Lakh	NIL	Not Applicable	-	NIL	-

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No.
1.	Sponsoring of 6000 COVID-19 vaccines to general public	Item no. (i)	Yes	Maharashtra	Mumbai	40.50 Lakh	No	J.K. Trust Bombay, NGO	CSR00000006
2.	Purchase of an ambulance for providing better healthcare	Item no. (i)	No	Madhya Pradesh	Chhindwara	20.00 Lakh	No	Institute for Development of Youth, Women and Child	CSR00001582
3.	Purchase of computers and providing training to underprivileged children	Item No. (ii)	Yes	Maharashtra	Thane	7.5 Lakh	No	Smt. Sulochanadevi Singhania School Trust	CSR00001809

(d) Amount spent in Administrative Overheads: NIL
(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 68 Lakh
(g) Excess amount for set off, if any:

Sl. No.	Particulars	Amount (in Rs.)
1.	Two percent of average net profit of the company as per section 135(5)	68 Lakh
2.	Total amount spent for the Financial Year	68 Lakh
3.	Excess amount spent for the financial year [(ii)-(i)]	NIL
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable
(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): None

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

Shri V. Balasubramanian
Director
DIN: 05222476

Shri Parthiv Kilachand
Chairman – Corporate Social Responsibility Committee
DIN: 00005516

CONTENTS OF CORPORATE SOCIAL RESPONSIBILITY POLICY

(Approved by the Board of Directors on October 27, 2014)

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

The Company's commitment to CSR projects and programmes will be by investing resources into any of the following areas.

- Improving the quality of life in rural areas;
- Eradicating hunger, poverty and malnutrition;
- Promoting healthcare including preventive healthcare;
- Employment enhancing vocational skills;
- Promotion of education including investment in technology in schools;
- Ensuring environmental sustainability including measures for reducing inequalities faced by socially and economically backward groups;
- Promoting sports including rural and Olympic sports;
- Contribution to funds for promoting technology;
- Investing in various rural development projects;
- Contributing to the Prime Minister's National Relief Fund or any other fund setup by the Central Government for development and relief; and
- Other areas approved by the CSR Committee that are covered in the CSR Rules as amended from time-to-time.

ANNEXURE B

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

(Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

(A) CONSERVATION OF ENERGY

(i) The steps taken and its impact on conservation of energy:

- Replacement of mono-block pumps with Energy Efficient VFD pumps at Induction Hardening at Starter Gear Division-I
- Stop the fumekiller blower motors when idle at IH & RF section in Starter gear Division-I
- Install VFD on cooling towers pumps at Induction Hardening section in Gear Division – I
- Optimized hydraulic, lubrication & main motors on butt welding machines, Presses, Gear Hobbing & TC machines
- Intelligent cooling system by installation of VFD with sensor feedback on induction hardening & Ring Forming section at starter gear division-II
- Install VFD with predefined logic on trimming machine hydraulic power pack to reduce power consumption during idle condition at starter gear division-II
- Install VFD on compressor at starter gear division-II
- Install VFD for pump flow optimization & thus save energy on quenchant flow system for induction hardening machine at starter gear division-II.
- Replacement of Mono block pumps with Energy Efficient pumps at Induction Hardening and centralized coolant filtration system at Bearing Division
- Provision of Air booster on Nova Grinder to reduced compressed air consumption.
- Installation of VFD system on regulating wheel gear box of HMT grinding machine

We have saved **Rs. 0.99 Cr** from the above initiatives during this FY 2021-22.

(ii) The steps taken by the Company for utilizing alternate sources of energy:

- 500Kwp rooftop power plant at starter gear division-II had yield saving of INR 17.6 lac in FY 2021-22
- Additional 288Kwp ground mounted Solar Power plant with Capacity installed at our Gear Division – II in Mar 22. Commissioning & charging will be done by May 2022. Potential savings towards this initiative will be Rs.10 Lac/annum
- We are exploring 70Kwp rooftop solar power plant for Bearing division. Potential savings towards this initiative will be Rs.3 Lac/annum

(iii) The capital investment on energy conservation equipments:

- The Company has not invested any capital amount on energy conservation equipment.

(B) TECHNOLOGY ABSORPTION

(iv) The efforts made towards technology absorption:

- **Gear Division:**

1. Additional Value stream line of 1Mn pcs/annum capacity for manufacturing of starter ring gear at starter gear division-II
2. Horizontal deployment of "HOB shifting automation" for conventional hobbing machine to improve cutting tool life, thus improved productivity and reduced processing cost at starter gear division-I
3. Developed spot welding machine for new products at starter gear division-I
4. Developed state of the art MIG welding SPM for flex plate assembly line at starter gear division-I
5. Installed high capacity balancing machine to cater new product i.e. flywheel at starter gear division-I
6. Installation of vision-based inspection system on IH machine at starter gear division
7. Industry 4.0 adoption at starter gear division-II
   a. Installed IOT based production monitoring system on Hobbing machine to analyze and improve production performance
   b. Installed IOT based energy monitoring system to monitor and define & prepare plan/KPI for continually reducing energy consumption
   c. Planned advanced production & Process monitoring system for critical operation like butt welding, hobbing & Induction hardening at starter gear division – II.

- **Bearing Division:**
  Installed high speed automated digital multi gauge at final bearing assembly.

(v) The benefits derived like product improvement, cost reduction, product development or import substitution:

- As a forward integration strategy, successfully developed flywheel assemblies for export customer
- As a product diversification strategy, developed Shield ring, ABS ring & Mass Ring
- We have developed multi piece flex-plate for BMW, Cummins and Volvo applications.

(vi) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable.

(vii) The expenditure incurred on Research and Development:

There was no expenditure incurred on research and development.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year FY 2021-22, foreign exchange earnings was Rs. 155.61 crore (Previous Year: Rs. 102.29 crore). The foreign exchange outgo during the year was Rs. 0.68 crore (Previous Year: Rs. 1.60 crore).

Annexure C

Form No. MR-3

Secretarial Audit Report

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the Financial Year Ended March 31, 2022

To,
The Members,
RING PLUS AQUA LIMITED
D-3,4, AUDYOGIK VASAHAT MARYADIT
VILLAGE MUSALGOAN,
TALUKA SINNAR, NASIK - 422112

Dear Members,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RING PLUS AQUA LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under: **NA**;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
4. The provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;
5. Provisions of Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the Audit Period.

We have relied on the representations made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. For Income tax laws we have relied on the Audit report issued by the Statutory Auditors.

We further state that, having regard to the Compliance system prevailing in the Company and based on test check basis and based on the representations made by the Company, the Company has complied with the following laws Applicable specifically to the Company:

i. Factories Act, 1948;
ii. Industries (Development & Regulation) Act, 1951
iii. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
iv. Acts prescribed under prevention and control of pollution
v. Acts prescribed under Environmental protection;
vi. Acts as prescribed under Direct Tax and Indirect Tax;
vii. Land Revenue laws of respective States
viii. Labour Welfare Act of respective States;
ix. Trade Marks Act 1999 & Indian Copy Right Act 1957;
x. The Legal Metrology Act, 2009.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non - Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and for meeting convened under shorter notice were in compliance with section 173(3) of the Companies Act, 2013 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting

Majority decision is carried through while there were no dissenting members' views which are to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For DM & Associates Company Secretaries LLP
Company Secretaries

Dinesh Kumar Deora
Partner
FCS NO 5683
CP NO 4119
UDIN: F005683D000311681
Place: Mumbai
Date: 12th May, 2022

Note: This report is to be read with our letter of even date that is annexed as Annexure - I and forms an integral part of this report.

ANNEXURE - I

To
The Members,
RING PLUS AQUA LIMITED
D-3,4, AUDYOGIK VASAHAT MARYADIT
VILLAGE MUSALGOAN,
TALUKA SINNAR, NASIK - 422112

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For DM & Associates Company Secretaries LLP
Company Secretaries

Dinesh Kumar Deora
Partner
FCS NO 5683
CP NO 4119
UDIN: F005683D000311681
Place: Mumbai
Date: 12th May, 2022

		ANNEXURE D
Disclosure in terms of Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 of the Companies Act, 2013		
Sr. No.	**Particulars**	**RPAL ESOP 2019**
1	Options Granted during April 1, 2021 to March 31, 2022	Nil
2	Options vested during April 1, 2021 to March 31, 2022	Nil
3	Options exercised during April 1, 2021 to March 31, 2022	Nil
4	Total number of shares arising as a result of exercise of options	Nil
5	Options lapsed during April 1, 2021 to March 31, 2022	Nil
6	Forfieted during April 1, 2021 to March 31, 2022	3,715
7	The exercise price	Rs.10/-
8	Variation of terms of options	None
9	Money realised by exercise of Option	Nil
10	Total number of options in force as on March 31, 2022	1,08,232
11	Employee wise details of options granted to:	
a.	Key Managerial Personnel	Nil
b.	Any other employee who receives a grant in any one year of option amounting to five percent or more options granted during that year.	Nil
c.	Identified employees who were granted options during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	Nil
Notes:		
Prior to the year under review, ESOPs were granted as follows:		
1	Key Managerial Personnel: - Shri V. Balasubramanian (Whole-time Director till Nov., 15, 2022 and Non-Executive Director w.e.f. Nov., 16, 2022) - Shri Sitesh Maheshwari (Chief Financial Officer)	51,634 11,835
2	Other employees: a) Shri Sachin Kotwal b) Shri Kamalakar B Tak c) Shri Avil Tyagi	 19,915 13,217 6,111

Independent Auditor's Report

To the Members of Ring Plus Aqua Limited

Report on the Audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Ring Plus Aqua Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity 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.

2. 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 March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 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.

6. 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 financial statements

7. 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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of 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.

9. 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.

10. 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.

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. 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.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 39 to the financial statements.

ii. The Company has long-term contracts including derivative contracts as at March 31, 2022 for which there were no material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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 person(s) or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

13. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

14. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

sd/

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 22112433AIWFJY1711

Mumbai
May 12, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of Ring Plus Aqua Limited on the financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Ring Plus Aqua Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 ("the Guidance Note") 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Annexure A to Independent Auditor’s Report

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, 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 issued by ICAI.

For Price Waterhouse Chartered Accountants LLP Registration Number: 012754N/N500016

sd/
Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 22112433AIWFJY1711

Mumbai
May 12, 2022

Annexure B to Independent Auditors' Report

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3(a) and (b) to the financial statements, are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted atreasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) 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 unaudited books of account. (Also refer Note 20 to the financial statements)

iii. (a) During the year, the Company has made investments in two other parties. During the year, the Company did not provide any guarantee or security or granted secured or unsecured loans or advances in nature of loan, to companies, firm, Limited Liability Partnership or any other parties.

(b) In respect of the aforesaid investment, the terms and conditions under which such investments were made, are not prejudicial to the Company's interest.

(c) In respect of the loans granted in the earlier years and outstanding as at beginning of the financial year, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

(d) In respect of the loans granted in earlier years and outstanding as at beginning of the financial year, there is no amount which is overdue for more than ninety days.

(e) There were no loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(f) There were no loans which were granted during the year, including to promoters/related parties.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made. The Company has not provided any guarantees and security to the parties covered under Section 185 and 186 of the Companies Act, 2013.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii.(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 39 to the financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of including goods and services tax, provident fund, employees' state insurance, service tax, duty of customs, duty of excise, cess, as referred to in sub-clause (a) which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. Lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income tax	14.26	A.Year - 2011-12	Joint commissioner of Income tax
The Central Sales tax Act, 1956	Sales tax	2.72	F.Year- 1999-00	Asst Commissioner of Sales Tax Appeals, Pune
The Central Sales tax Act, 1956	Sales tax	37.17	F.Year - 2014-15	Joint commissioner of Sales Tax (Appeals)
The MVAT Act, 2002	Sales Tax	823.87	F.Year - 2015-16	Maharashtra sales tax tribunal

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no 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 and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, 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.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the company issued till date, for the period under audit.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order 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, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, thereporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 46 to the financial statements), 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 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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

sd/

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN : 22112433AIWFJY1711

Mumbai
May 12, 2022

RING PLUS AQUA LIMITED
Balance Sheet as at March 31, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	March 31, 2022	March 31, 2021
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Property, Plant and Equipment	3(a)	6,925.54	8,035.68
	(b) Right-of-use asset	3(b)	84.56	85.54
	(c) Capital work - in - progress	3(c)	756.38	2.80
	(d) Other Intangible assets	4	0.28	3.88
	(e) Financial Assets :			
	(i) Investments	5	8.61	8.61
	(ii) Other Financial Assets	6	19.32	20.02
	(f) Non-Current Tax Assets (Net)	7(b)	7.27	123.00
	(g) Other non - current assets	8	453.00	199.28
	Total Non-Current Assets		**8,254.96**	**8,478.80**
2	**Current assets**			
	(a) Inventories	9	5,158.89	4,917.51
	(b) Financial Assets :			
	(i) Current investments	10	2,257.39	1,300.59
	(ii) Trade receivables	11	4,702.75	3,509.91
	(iii) Cash and Bank Balances	12	472.74	221.35
	(iv) Bank Balances Other Than (iii) above	13	3.50	-
	(iv) Loans	14	-	5,000.00
	(v) Other current financial assets	15	18.48	36.23
	(c) Other current assets	16	403.90	742.44
	Total Current Assets		**13,017.65**	**15,728.03**
	TOTAL ASSETS		**21,272.61**	**24,206.83**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	17	775.67	775.67
	b) Other Equity	18	11,466.61	14,723.14
	Total Equity		**12,242.28**	**15,498.81**
2	**Non-current liabilities**			
	(a) Financial Liabilities			
	- Borrowings	19	-	9.69
	(c) Deferred tax liabilities (Net)	7(a)	380.72	331.76
	Total Non Current Liabilities		**380.72**	**341.45**
3	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	20	911.55	1,075.65
	(ii)Trade Payables	21	6,394.09	5,366.70
	(iii)Other Financial Liabilities	22	570.79	621.60
	(b) Provisions	23	511.95	525.21
	(c) Current Tax Liabilities (Net)	7(c)	13.89	159.78
	(d) Other current liabilities	24	247.34	617.64
	Total Current Liabilities		**8,649.61**	**8,366.58**
	Total Liabilities		**9,030.33**	**8,708.03**
	TOTAL EQUITY AND LIABILITIES		**21,272.61**	**24,206.83**
	The accompanying notes are an integral part of these financial statements	1 to 51		

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

sd/
Arunkumar Ramdas
Partner
Membership No. 112433

For and on behalf of Board of Directors

sd/
V. Balasubramanian
Director
DIN : 05222476

sd/
B.K. Chaturvedi
Director
DIN: 00144487

sd/
Sitesh Maheshwari
Chief Financial Officer

sd/
Reshma Ramchandani
Company Secretary

Place : Mumbai
Date : May 12, 2022

RING PLUS AQUA LIMITED
Statement of Profit and Loss for the year ended March 31, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	For the year ended March 31, 2022	For the Year ended March 31, 2021
I	**Income**			
	Revenue from Operations	25	31,201.85	19,731.59
	Other Income	26	1,193.72	637.82
	Total Income		**32,395.57**	**20,369.41**
II	**Expenses**			
	Cost of raw materials consumed	27	12,404.12	7,565.57
	Changes in inventories of finished goods and work-in progress	28	56.66	(975.70)
	Employee benefits expense	29	2,826.83	2,558.43
	Finance costs	30	53.88	87.61
	Depreciation and amortization expense	31	1,076.76	1,086.14
	Other Expenses	32	10,818.85	7,189.75
	Total expenses		**27,237.10**	**17,511.80**
III	**Profit before tax**		**5,158.47**	**2,857.61**
IV	**Income Tax expense**			
	Current tax	7	1,265.00	768.45
	Deferred tax		48.96	(158.48)
	Tax in respect of earlier years		(28.14)	(3.99)
	Total Tax Expense		**1,285.82**	**605.98**
V	**Profit for the year (III - IV)**		**3,872.65**	**2,251.63**
VI	**Other Comprehensive Income/(Loss)**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of post-employment benefit obligations	43	52.85	(56.22)
	Tax Impact on above	7	13.30	(14.15)
	Other Comprehensive Income/(Loss)		**39.55**	**(42.07)**
VII	**Total Comprehensive Income for the year (V + VI)**		**3,912.20**	**2,209.56**
VIII	Earnings per equity share of Rs. 10 each :			
	Basic (in Rs.)	37	49.93	29.03
	Diluted (in Rs.)		49.24	28.62
	The accompanying notes are an integral part of these financial statements	1 to 51		

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

sd/
Arunkumar Ramdas
Partner
Membership No. 112433

Place : Mumbai
Date : May 12, 2022

For and on behalf of Board of Directors

sd/
V. Balasubramanian
Director
DIN : 05222476

sd/
B.K. Chaturvedi
Director
DIN: 00144487

sd/
Sitesh Maheshwari
Chief Financial Officer

sd/
Reshma Ramchandani
Company Secretary

RING PLUS AQUA LIMITED
Statement of Cash Flow for the year ended March 31, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Particulars	For the year ended March 31, 2022		For the Year ended March 31, 2021	
A. Cash Flow from Operating Activities				
Profit before tax as per statement of profit and loss		5,158.47		2,857.61
Ajustments for :				
Depreciation and Amortisation Charge	1,076.76		1,086.14	
Remeasurement of Defined Benefit Plan	52.85		(56.22)	
Employee benefit expense (ESOP)	44.98		57.21	
(Profit)/Loss on sale of Property, Plant and Equipment	(434.68)		9.48	
Profit on Sale of Current Investments	(58.17)		(64.47)	
Bad Debts written off	36.26		8.61	
Provision withdrwan against Bad debts	(36.26)		(8.61)	
Deposits written-off	0.24		4.60	
Dividend Income	(0.04)		-	
Interest Income	(214.57)		(217.95)	
Finance Cost	53.88		87.61	
Net (Gain)/Loss on Fair Valuation of Investments through profit and loss	(7.06)		(4.93)	
		514.19		901.47
Operating Cash Profit before Working Capital Changes		5,672.66		3,759.08
Add/(Deduct) :				
(Increase)/Decrease in Inventories	(241.38)		(1,612.11)	
(Increase)/Decrease in Trade and Other Receivables	(747.40)		35.79	
Increase/(Decrease) in Trade and Other Payables	495.36		1,892.93	
Increase/(Decrease) in Provisions	(13.26)		143.65	
		(506.68)		460.26
		5,165.98		4,219.34
Less : Taxes Paid (Net)		1,278.30		752.93
Net Cash Inflow from Operating Activities		**3,887.68**		**3,466.41**
B. Cash Flow from Investing Activities				
Payments for Property, Plant & Equipment & Intangible Assets	(1,365.70)		(318.54)	
Receipts on Sale of Property, Plant & Equipments	847.75		84.73	
Receipt of Loan Given	5,000.00		1,500.00	
Receipt of Redemption of Current Investment	8,929.80		6,223.71	
Payment for Purchase of Current Investments	(9,821.38)		(5,907.47)	
Loan given to Related party	-		(5,000.00)	
Interest Income	214.57		-	
Dividend Received	0.04		-	
Net Cash Inflow/(Outflow) from Investing Activities		**3,805.08**		**(3,417.57)**
C. Cash Flow from Financing Activities				
Dividend Paid	(7,213.70)		-	
Proceeds from Deposits	50.00			
Repayment of Non-current Borrowings	(25.84)		(25.84)	
Proceeds/(Repayment) of Current Borrowings	(147.95)		(166.91)	
Interest Paid	(53.88)		(87.61)	
Net Cash Inflow/(Outflow) from Financing Activities		**(7,391.37)**		**(280.36)**
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		301.39		(231.53)
Add: Balance at the beginning of the financial Year		171.35		402.88
Cash and Cash Equivalents as at the end of the Year		**472.74**		**171.35**

Reconcilation of Cash and Cash Equivalents as per Cash Flow Statement	**For the year ended March 31, 2022**	**For the Year ended March 31, 2021**
Cash and Cash Equivalent as per above comprise of the following		
Cash and Cash Equivalent	472.74	221.35
Less: Deposits with maturity more than three months	-	(50.00)
Balance as per Statement of Cash Flows	472.74	171.35
The accompanying notes are an integral part of these financial statements	1 to 51	

The Cash Flow Statement has been prepared under the Indirect Method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cashflows.

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

sd/
Arunkumar Ramdas
Partner
Membership No. 112433

Place : Mumbai
Date : May 12, 2022

For and on behalf of Board of Directors

sd/
V. Balasubramanian
Director
DIN : 05222476

sd/
B.K. Chaturvedi
Director
DIN: 00144487

sd/
Sitesh Maheshwari
Chief Financial Officer

sd/
Reshma Ramchandani
Company Secretary

RING PLUS AQUA LIMITED

Statement of Changes in Equity for the year ended March 31, 2022

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

A. EQUITY SHARE CAPITAL

Particulars	Note No.	Amount
As at March 31, 2020	17	775.67
As at March 31, 2021		775.67
As at March 31, 2022		775.67

B. OTHER EQUITY

Particulars	Note No.	Reserves and Surplus					Total
		Capital Reserve (On Amalgamation)	Securities Premium	Share Options outstanding Account	Retained Earnings	General Reserves	
As at March 31, 2020	18	**610.35**	**993.60**	**60.00**	**10,511.70**	**280.72**	**12,456.37**
Profit for the year		-	-	-	2,251.63	-	2,251.63
Remeasurement of defined benefit obligation, net of tax		-	-	-	(42.07)	-	(42.07)
Total Comprehensive Income		610.35	993.60	60.00	12,721.25	280.72	14,665.93
Employee Stock Option Plan Expenses		-	-	57.21	-	-	57.21
As at March 31, 2021	18	**610.35**	**993.60**	**117.21**	**12,721.25**	**280.72**	**14,723.14**
Profit for the year		-	-	-	3,872.65	-	3,872.65
Remeasurement of defined benefit obligation, net of tax		-	-	-	39.55	-	39.55
Total Comprehensive Income		610.35	993.60	117.21	16,633.45	280.72	18,635.33
Dividend Paid		-	-	-	(7,213.70)	-	(7,213.70)
Employee Stock Option Plan Expenses	18	-	-	44.98	-	-	44.98
As at March 31, 2022		**610.35**	**993.60**	**162.19**	**9,419.75**	**280.72**	**11,466.61**

As per our attached Report of even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration No. 012754N/N500016

For and on behalf of Board of Directors

sd/
Arunkumar Ramdas
Partner
Membership No. 112433

sd/
V. Balasubramanian
Director
DIN : 05222476

sd/
B.K. Chaturvedi
Director
DIN: 00144487

Place : Mumbai
Date : May 12, 2022

sd/
Sitesh Maheshwari
Chief Financial Officer

sd/
Reshma Ramchandani
Company Secretary

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES :

I. Background and Operations

Ring Plus Aqua Limited (‘RPAL’ or ‘the Company’), CIN : U99999MH1986PLC040885, headquartered in Mumbai, Maharashtra, India, carries on business of manufacturing and exporting Ring Gears, Flexplates, Water Pump Bearings, machined components both for auto component and engineering products. JK Files & Engineering Limited is holding company of RPAL holding 89.07% capital of the Company.

II. Basis of preparation of financial statements

The accounting policies are applied consistently to all the periods presented in the financial statements.

III. Significant accounting policies

(a) Basis of preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements comply in all material aspects with the Indian Accounting Standards notified under section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities (including derivative instruments) that is measured at fair value;

2) defined benefit plans - plan assets measured at fair value;

3) share based payments

(iii) New and Amended standards adopted by the Company

The company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 01-Apr-21 :

• Extension of COVID-19 related concessions – amendments to Ind AS 116

• Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2023.
These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

(iv) Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1 April 2021.

Consequent to above, the Company has changed the classification/presentation of (i) current maturities of long-term borrowings (ii) security deposits, in the current year.

The current maturities of long-term borrowings (including interest accrued) has now been included in the “Current borrowings” line item. Previously, current maturities of long-term borrowings and interest accrued were included in ‘other financial liabilities’ line item.

Further, security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in ‘other financial assets’ line item. Previously, these deposits were included in ‘loans’ line item. The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1.

Balance Sheet (Extract)	March 31, 2021 (Previously reported)	Increase/ (Decrease)	March 31, 2021 (Restated)
Other Financial Liabilities (Current)	647.44	(25.84)	621.60
Current Borrowings	1,049.81	25.84	1,075.65
Loans (Non-Current)	20.02	(20.02)	-
Other Financial Assets (Non-Current)	-	20.02	20.02

(v) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months)and other criteria set out in the Schedule III to the Companies Act, 2013.

(vi) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company 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 the Statement of Profit and Loss during the reporting period in which they are incurred.Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

On transition to Ind AS, the group has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method, over the estimated useful lives of assets. (Leasehold land is amortised over of period lease). Leasehold improvements are amortised over the period of lease or estimated useful lives which ever is lower.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery and certain vehicles which based on an independent technical evaluation has been estimated as 24 years from the date of acquisition (on a single shift basis) and 5 years respectively, which is different from that prescribed in Schedule II of the Act.

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.

(d) Intangible assets

Computer software

Computer software are stated at cost, less accumulated amortisation and impairments, if any.

Amortisation method

The Company amortizes computer software with a useful life using the straight-line method over the period of 3 years from the date of acquisition.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(e) Leases

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. Leases are recognised as a right-of-use asset ("ROU") and a corresponding lease liability at the date at which leased asset is available for use by the Company for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term leases and leases of low value assets, the Company recognises the lease payments as an expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and restoration costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments which includes principal and finance cost component. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

To determine the incremental borrowing rate, the Company where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or 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.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of Profit and

(f) Cash and Cash Equivalents

For the purpose of presentation in the Restated Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and certain cash credit facilities that form an integral part of the Company's cash management.

(g) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(h) Trade Payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(i) Inventories

Inventories of Raw Materials, Goods in transit, Work-in-Progress, Stores and spares and Finished Goods are stated 'at cost or net realisable value, whichever is lower'. Cost comprise all cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable. 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. Cost formula used is 'Weighted Average cost'. Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc. Net realisable 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.

(j) Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following measurement categories:

* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
* those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Recognition

Financial assets are initially recognised when the Company becomes party to the contractual provisions of the instrument.

(iii) Measurement

At initial recognition, the company measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

* **Amortised cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

▪ Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net with other income / other expenses in the period in which it arises.

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Note 34 details how the Company determines whether there has been a significant increase in credit risk.

(v) Derecognition of financial assets

A financial asset is derecognised only when:
• the Company has transferred the rights to receive cash flows from the financial asset or
• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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

(vi) Income recognition

- Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

- Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

(k) Derivative financial instruments

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as ‘held for trading’ for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

(l) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income / other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(m) Borrowing costs

Interest and other borrowing costs attributable to the acquisition, construction or production of a qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other interest and borrowing costs are charged to profit or loss.

(n) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.
Provisions are measured at the present value of management’s best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.
A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in the RFinancial statement unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the Financial statement unless it is virtually certain that the future event will confirm the asset’s existence and the asset will be realised.

(o) Revenue recognition

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those products or services. The control of the products and services were transfer at a point of time.
The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities as described below.

Sale of goods -

Sales are recognised when the control of the goods has transferred when the goods are delivered to customer and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, risk of obsolescence and loss have been transfer to customer and the Company has objective evidence that all criteria for the acceptance have been satisfied.
A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Other operating revenue - Export incentives -
Export Incentives under the, “Duty Draw back Scheme”, "Merchandise Export from India Scheme" etc. is accounted in the year of export.

(p) Employee benefits

(i) Short-term Employee Benefits:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised 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.

(ii) Defined Contribution Plans
The Company pays provident fund contributions etc. to publicly administered provident and other funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are incurred.

(iii) Post-employment obligations
Defined Benefit Plans
The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by actuary 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 employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised 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 as calculated by actuary are recognised immediately in the Statement of Profit and Loss as past service cost.

(iv) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(v) Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b)when the company recognises costs for are structuring that is within the scope of Ind AS37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(q) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.
Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(r) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defer income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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 off set where the company 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.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(s) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(t) Share Based Payments

Share-based compensation benefits are provided to employees via the Ring Plus Aqua Limited-Employee Stock Option Scheme 2019 (RPAL ESOP 2019).
The fair value of options granted under the RPAL ESOP 2019 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.
The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(u) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director maker.
The board of directors of Company has appointed a Chief Executive Officer which assesses the financial performance and position of the Company, and makes strategic decisions.

(v) Dividends :

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(w) 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 recognised amounts and there is an intention to settle on a net basis or realise 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 group or the counterparty.

2 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimtes or judgement are:

- Estimation of Defined benefit obligation (Refer Note 43).

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3(a) Property, Plant and Equipment

Particulars	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
Gross Carrying Amount :							
As at March 31, 2020	2,091.65	8,659.02	69.64	1,066.64	260.15	121.44	12,268.54
Additions	-	128.17	0.32	185.03	11.99	0.89	326.40
Disposals	-	54.72	-	87.58	6.89	-	149.19
As at March 31, 2021	**2,091.65**	**8,732.47**	**69.96**	**1,164.09**	**265.25**	**122.33**	**12,445.75**
Additions	45.48	279.93	5.90	0.20	21.37	22.24	375.12
Disposals	-	39.01	1.79	1,109.25	2.94	-	1,152.99
As at March 31, 2022	**2,137.13**	**8,973.39**	**74.07**	**55.04**	**283.68**	**144.57**	**11,667.88**
Accumulated Depreciation :							
As at March 31, 2020	158.56	2,656.80	40.68	381.25	80.18	66.13	3,383.60
Depreciation charge for the year	69.09	757.71	6.53	189.07	38.17	20.88	1,081.45
Disposals	-	32.66	-	16.72	5.60	-	54.98
As at March 31, 2021	**227.65**	**3,381.85**	**47.21**	**553.60**	**112.75**	**87.01**	**4,410.07**
Depreciation charge for the year	69.42	731.22	3.72	207.21	40.73	19.88	1,072.18
Disposals	-	26.11	1.57	709.90	2.33	-	739.91
As at March 31, 2022	**297.07**	**4,086.96**	**49.36**	**50.91**	**151.15**	**106.89**	**4,742.34**
Net Carrying Amount :							
As at March 31, 2021	**1,864.00**	**5,350.62**	**22.75**	**610.49**	**152.50**	**35.32**	**8,035.68**
As at March 31, 2022	**1,840.06**	**4,886.43**	**24.71**	**4.13**	**132.53**	**37.68**	**6,925.54**

Notes:

A. For information on Property, Plant and Equipment offered as security by the Company, Refer note 38.
B. Refer note 40 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment .
C. The title deeds of all immovable properties are held in the name of the Company.

3(b) Leases

(i) This notes provides information for lease where the Company is a lessee. The Company has leasehold factory land and leases office premises. Rental contract for office are typically made for fixed period of 12 months. There are no leases where Company is lessor.

Amount recognised in Balance Sheet

The balance sheet shows the following amounts relating to leases:

Particulars	As at March 31, 2022	As at March 31, 2021
Lease hold Land	84.56	85.54
Total	**84.56**	**85.54**

Additions to Right of Use Assets during the financial year were Rs. Nil (previous year Rs. Nil)

Lease liabilities:

Lease liabilities: In case of leasehold land, upfront lease premium had been paid at the time of execution of the lease deed, hence there are no future lease liabilities.

(ii) Amount recognised in the statement of profit and loss.

The statement of profit and loss shows the following amount relating to lease :

Particulars	March 31, 2022	March 31, 2021
Depreciation charge of Right-of-use assets	0.98	0.98
Total	**0.98**	**0.98**

Particulars	March 31, 2022	March 31, 2021
Expense relating to short-term leases (included in other expenses)	15.82	15.56
Total	**15.82**	**15.56**

(iii) Extension and termination options:

Extension and termination options are included in property lease. These are used to maximise operational flexibility in terms of managing the assets used in the company operations. The extension and termination options held are exercisable with mutual agreement between the company and respective lessor.

(iv) The title deeds of all immovable properties are held in the name of the Company.

3(c) Capital work-in-progress

Particulars	Total
Balance as at April 01, 2020	5.51
Addition	125.47
Capitalisation	128.18
Balance as at March 31, 2021	**2.80**
Balance as at April 01, 2021	2.80
Addition	1,128.70
Capitalisation	375.12
Balance as at March 31, 2022	**756.38**

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i. Capital Work in progress ageing schedule:

Particulars	As At	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital Work in progress	March 31, 2022	753.58	2.80	-	-	756.38
	March 31, 2021	2.80	-	-	-	2.80

ii. Actual cost of an capital projects in progress has not exceeded the estimated cost and actual timelines for completion of an projects has not exceeded the estimated timelines in respect of the amount reported above as at the end of each reporting period.Accordingly, completion schedule is not presented.

iii. Capital Work in progress majorly comprises of machinery which are pending installation.

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

4 Intangible assets

Particulars	**Computer Software**
Gross Carrying Amount	
As at March 31, 2020	79.88
Additions	10.24
As at March 31, 2021	**90.12**
Additions	-
As at March 31, 2022	**90.12**
Accumulated Amortisation	
As at March 31, 2020	82.53
Amortisation charge for the year	3.71
As at March 31, 2021	**86.24**
Amortisation charge for the year	3.60
As at March 31, 2022	**89.84**
Net Carrying Amount	
As at March 31, 2021	**3.88**
As at March 31, 2022	**0.28**

Note : There is no intangible asset under development.

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5 Investments

Particulars	March 31, 2022		March 31, 2021	
	No. of Units	Amount	No. of Units	Amount
Equity instruments - Unquoted				
Fair value through profit or loss				
SICOM Limited (Equity Shares of Rs.10 each)	10,000	7.91	10,000	7.91
Saraswat Co-operative Bank Limited (Equity Shares of Rs.10 each)	7,000	0.70	7,000	0.70
Trinity Auto Component Limited (Equity Shares of Rs.10 each)	4,21,000	-	4,21,000	-
Total		**8.61**		**8.61**

Aggregate amount of unquoted investments	8.61	8.61

6 Other Financial Assets

Particulars	March 31, 2022	March 31, 2021
Unsecured-considered Good (Unless Otherwise stated)		
Security Deposits	19.32	20.02
Total	**19.32**	**20.02**

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

7 Income Taxes

Tax expense recognized in the Statement of Profit and Loss

Particulars	March 31, 2022	March 31, 2021
Current tax	1,265.00	768.45
Deferred tax	48.96	(158.48)
Tax in respect of Earlier years		
- Current Tax	(28.14)	(3.99)
Total income tax expense	**1,285.81**	**605.98**

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

Reconciliation of effective tax rate	March 31, 2022	March 31, 2021
Profit before tax	5,158.47	2,857.61
Tax Expense Recognised in Statement of Profit and Loss	1,285.81	605.98
Enacted income tax rate in India	25.168%	25.168%
Computed Expected Tax Expense	1,298.28	719.20
Add :		
Change in tax rate	-	(68.45)
Tax in respect of Earlier years	(28.14)	(3.99)
Other Items	15.67	(40.78)
Total income tax expense	**1,285.81**	**605.98**

Consequent to reconciliation items shown above, the effective tax rate is 24.93% (2020-21: 21.20%)

Movement in Deferred tax (assets)/liabilities :

Particulars	April 1, 2021	(Credit)/charge in Statement of Profit and Loss	(Credit)/charge in Other Comprehensive Income	March 31, 2022
Deferred tax asset on account of :				
Amounts allowable for tax purpose on payment basis	162.13	(24.44)	-	137.69
Allowance for Doubtful Debts & Others Receivables	103.77	(8.05)	-	95.72
	265.90	**(32.49)**	-	**233.41**
Deferred tax liability on account of:				
Property plant and equipment and intangible assets	(597.66)	(16.47)	-	(614.13)
	(597.66)	**(16.47)**	-	**(614.13)**
Deferred Tax Liability (Net)	**(331.76)**	**(48.96)**	-	**(380.72)**

Movement in Deferred tax (assets)/liabilities :

Particulars	April 1, 2020	(Credit)/charge in Statement of Profit and Loss	(Credit)/charge in Other Comprehensive Income	March 31, 2021
Deferred tax asset on account of :				
Amounts allowable for tax purpose on payment basis	105.79	42.19	14.15	162.13
Allowance for Doubtful Debts & Others Receivables	130.81	(27.04)	-	103.77
Total	**236.60**	**15.15**	**14.15**	**265.90**
Deferred tax liability on account of:				
Property plant and equipment and intangible assets	(740.99)	143.32	-	(597.66)
	(740.99)	**143.32**	**-**	**(597.66)**
Deferred Tax Liability (Net)	**(504.39)**	**158.48**	**14.15**	**(331.76)**

Unrecognised carry forward tax losses:
The Company has accumulated capital loss of Rs. 1,239.98 Lakhs (Previous year Rs. 1,302.63 Lakhs) under the Income Tax Act. In view of, uncertainty over the Company's ability to utilise such losses in the foreseeable future, the Company has not recognised deferred tax asset against such losses.

Assessment Year (AY)	Capital Loss	
	As at March 31, 2022	Loss carried forward for upto AY
2016-17	1,166.37	2024-25
2017-18	73.61	2025-26

(b) Current tax assets (net) - non-current

	March 31, 2022	March 31, 2021
Current Tax Asset (Net of Provision of Rs. 1278.30 lakhs (March 31, 2021 : Rs. 530.03 lakhs))	7.27	123.00
Total	**7.27**	**123.00**

(c) Current Tax Liability (Net)

	March 31, 2022	March 31, 2021
Current Tax Liability (Net of Advance tax of Rs. 754.56 lakhs (March 31, 2021 : Rs. 3330.69 lakhs))	13.89	159.78

8 Other non - current assets
Unsecured-considered Good (Unless Otherwise stated)

Particulars	March 31, 2022	March 31, 2021
Capital advances	330.65	100.47
Refund Due from Government Authorities	182.10	182.10
Less: Loss allowance for doubtful refund	(128.39)	(128.39)
Deposit with Government Authorities	68.64	45.10
Total	**453.00**	**199.28**

9 Inventories
(Cost or Net Realisable value,whichever is lower)

Particulars	March 31, 2022	March 31, 2021
Raw Materials	1,649.30	1,385.35
Work-in-progress	406.27	571.71
Finished goods	2,794.71	2,685.93
Stores and Spares	308.61	274.52
Total	**5,158.89**	**4,917.51**

Note :
Write-down of inventories are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value and in case of reversal of write-down are mainly on account of commodity price movement (steel) and changes in market demand pattern due to changes in market dynamics. Reversal of write-down of inventories amounted to Rs. 61.71 lacs (write-back of inventories amounted to Rs. 122.70 lacs as at March 31, 2021). These write-downs/write back were recognised as expenses /income and included in 'Raw material consumed', 'changes in value of inventories of finished goods and work -in- progress' and 'consumption of stores and spares' in the statement of Profit and Loss.
For information of Inventories offered as security, Refer Note 38.

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

10 Current Investments

Particulars	March 31, 2022	March 31, 2021
Investment in Mutual Fund :		
Unquoted at Fair value through Profit and Loss		
UTI Money Market Fund - Institutional Plan - Direct Growth Plan (Units Nil; Previous Year 54,300.35)	-	1,300.59
Nippon India Ultra Short Duration Fund - Growth Plan (Units 39,685.09; Previous Year Nil)	1,302.06	-
Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan (Units 2,80,620.74; Previous Year Nil)	955.33	-
Total	**2,257.39**	**1,300.59**

11 Trade receivables

Particulars	March 31, 2022	March 31, 2021
Unsecured, unless stated otherwise		
Trade receivables from other customers	4,930.15	3,780.06
Less: Loss Allowance	(227.40)	(270.15)
Total	**4,702.75**	**3,509.91**

Break-up of Security details :

Particulars	March 31, 2022	March 31, 2021
Considered good - Secured	-	-
Considered good - Unsecured	4,930.15	3,780.06
Considered having significant increase in credit risk	-	-
Considered - credit impaired	-	-
Total	4,930.15	3,780.06
Less: Loss Allowance	(227.40)	(270.15)
Total trade receivables	**4,702.75**	**3,509.91**

Trade Receivable Ageing :

March 31, 2022	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	4,380.89	353.10	1.37	1.12	0.39	5.34	4,742.21
(ii) Disputed Trade Receivables– considered Doubtful	-	-	-	-	-	187.94	187.94
Total	**4,380.89**	**353.10**	**1.37**	**1.12**	**0.39**	**193.28**	**4,930.15**

March 31, 2021	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	3,328.95	180.97	-	-	-	75.72	3,585.64
(ii) Disputed Trade Receivables– considered doubtful	-	-	-	-	-	194.42	194.42
Total	**3,328.95**	**180.97**	**-**	**-**	**-**	**270.14**	**3,780.06**

12 Cash and Bank Balances

Particulars	March 31, 2022	March 31, 2021
Cash and Cash Equivalents		
Cash on hand	0.56	2.03
Balances with Banks in current accounts	472.18	169.32
Other Bank Balances		
Deposits with maturity more than three months	-	50.00
Total	**472.74**	**221.35**

13 Bank balances other than 12 above

Particulars	March 31, 2022	March 31, 2021
Balance in Dividend Account	3.50	-
Total	**3.50**	**-**

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

14 Loans

Particulars	March 31, 2022	March 31, 2021
Unsecured, unless stated otherwise		
Loans to related party (Refer Note 42)	-	5,000.00
Total	**-**	**5,000.00**

Break-up of Security details :

Particulars	March 31, 2022	March 31, 2021
Loans considered good - Secured	-	-
Loans considered good - Unsecured	-	5,000.00
Loans which have significant increase in credit risk		
Loans credit impaired	-	-
Total	-	5,000.00
Less: Allowance for doubtful loans	-	-
Total	**-**	**5,000.00**

Disclosure as per section 186(4) of the Companies Act 2013 :

Particulars	Rate of Interest	March 31, 2022	March 31, 2021
Raymond Apparel Ltd	8.50%	-	5,000.00

The loan has been utilised for meeting their working capital requirement

There are no loans or advances in the nature of loans outstanding as at March 31, 2022 and March 31, 2021, granted to promoters, directors, key managerial personnels and other related parties, which are repayable on demand or granted without specifying any terms or period of repayment.

15 Other current financial assets

Particulars	March 31, 2022	March 31, 2021
Interest Receivables from Bank Deposits	-	1.05
Derivative financial Instruments (Refer Note 34)	18.48	35.18
Total	**18.48**	**36.23**

16 Other current assets

Unsecured-considered Good (Unless Otherwise stated)

Particulars	March 31, 2022	March 31, 2021
Export benefit receivables	174.93	257.59
Receivables From Government Authorities	159.48	405.84
Advances to Suppliers	26.81	34.11
Prepaid expenses	40.97	43.68
Advances recoverable in cash or kind	1.71	1.23
Total	**403.90**	**742.44**

17 Equity Share capital

a)

Particulars	March 31, 2022	March 31, 2021
Authorised		
3,00,00,000 (Previous year: 3,00,00,000) Equity Shares of Rs. 10/- each	3,000.00	3,000.00
Issued, subscribed and fully paid up		
77,56,671 (Previous year: 77,56,671) Equity Shares of Rs. 10/- each	775.67	775.67
	775.67	**775.67**

b) **Rights of Equity Shareholders**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) **Reconciliation of number of shares**

Particulars	March 31, 2022		March 31, 2021	
	Number of shares	Rs. lakhs	Number of shares	Rs. lakhs
Equity Shares :				
Balance as at the beginning of the year	77,56,671	775.67	77,56,671	775.67
Balance as at the end of the year	**77,56,671**	**775.67**	**77,56,671**	**775.67**

d) **Shares held by Holding Company**

Particulars	March 31, 2022	March 31, 2021
69,08,482 (Previous year Nil) Equity shares of Rs.10/- each held by JK Files & Engineering Ltd.	690.85	-
120 (Previous year 69,08,602) Equity shares of Rs.10/- each held by Scissors Engineering Products Ltd. & its Nominees	0.01	690.86

e) **Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Particulars	March 31, 2022	March 31, 2021
69,08,482 shares (Previous year Nil shares) held by Holding Company (JK Files & Engineering Limited)	69,08,482.00	-
% of holding	89.07%	0.00%
Shares held by Scissors Engineering Products Limited & its Nominees	120.00	69,08,602.00
% of holding	0.00%	89.07%
Shares held by J K Investors (Bombay) Limited	4,96,165.00	4,96,165.00
% of holding	6.40%	6.40%

f) During preceeding five years, no share was issued by the Company for consideration being other than cash except (Refer Note 49).

g) **Shareholdings of Promoters as at March 31, 2022 :**

Sr. No.	Promoters	Refer Note	Number of Shares	% of Total Holding	% Change during the year
1	Scissors Engineering Products Limited - Nominee		120	0.00%	0%
2	JK Files & Engineering Limited	49	69,08,482	89.07%	100%
3	J K Investors (Bombay) Limited		4,96,165	6.40%	0%

Shareholdings of Promoters as at March 31, 2021 :

Sr. No.	Promoters	Number of Shares	% of Total Holding	% Change during the year
1	Scissors Engineering Products Limited (along with its nominee)	69,08,602	89.07%	0%
2	J K Investors (Bombay) Limited	4,96,165	6.40%	0%

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

18 Other Equity

Particulars	Capital Reserve on Amalgamation	Securities Premium	Share Options outstanding Account	Retained Earnings	General Reserves	Total
As at March 31, 2020	**610.35**	**993.60**	60.00	**10,511.70**	**280.72**	**12,456.37**
Profit for the year	-	-	-	2,251.63	-	2,251.63
Other Comprehensive Income for the year (Net of tax)	-	-	-	(42.07)	-	(42.07)
Employee Stock Option Expenses	-	-	57.21	-	-	57.21
As at March 31, 2021	**610.35**	**993.60**	**117.21**	**12,721.26**	**280.72**	**14,723.14**
Profit for the year	-	-	-	3,872.65	-	3,872.65
Other Comprehensive Income for the year (Net of tax)	-	-	-	39.55	-	39.55
Dividend Paid	-	-	-	(7,213.70)	-	(7,213.70)
Employee Stock Option Plan Expenses	-	-	44.98	-	-	44.98
As at March 31, 2022	**610.35**	**993.60**	**162.19**	**9,419.75**	**280.72**	**11,466.61**

<u>Nature and Purpose of Reserves :</u>

a) Securities Premium :

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

b) Share Options Outstanding Account

The Share Options outstanding Account is used to recognise the grant date fair value of options issued to employees under 'Ring Plus Aqua Limited - Employee stock option plan 2019' (Refer Note 47).

c) Capital Reserve

Capital Reserve was created on account of merger of Trinity India Ltd with the Company pursuant to the Scheme of Amalgamation in the financial year 2012-13

d) Retained Earnings

Retained Earnings are the profits that the Group has earned till date, less dividends or other distributions paid to shareholders.

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

19 Non-Current Borrowings

Particulars	March 31, 2022	March 31, 2021
Unsecured		
Interest free Deferred Sales tax payment liabilities	9.69	35.53
Less: Current maturity of long term borrowings (included in Note 20)	9.69	25.84
Total	**-**	**9.69**

20 Current Borrowings

Particulars	Terms of Repayment	Interest Rate	March 31, 2022	March 31, 2021
Secured				
Cash Credit	Repayable on Demand	9.15%	0.33	49.81
Packing credit	Repayable on Demand	2.50% to 7.65%	748.45	1,000.41
Buyers Credit	Repayable by December 08, 2022	0.80%	154.08	-
Current maturities of long-term debt (Refer Note 19)			9.69	25.84
			912.55	1,076.06
Less :				
Interest accrued but not due on borrowings (included in Note 22)			1.00	0.41
Total			**911.55**	**1,075.65**

(a) The carrying amount of financial and non-financial assets held as security for secured borrowings are disclosed in Note 38.

(b) For information about Net Debt reconciliation Refer Note 44.

(c) In respect of borrowings made from banks on the basis of security of current assets, quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts in respect of all the periods/years referred above and there are no material discrepancies.

(d) The above borrowings have been utilized by the Company for meeting requirement as per the terms of the loans and have not been further advanced or loaned by the Company to any other parties.

21 Trade payables

Particulars	March 31, 2022	March 31, 2021
Trade payables : Micro and Small Enterprises	-	-
Trade payables : Others	6,391.51	5,365.86
Trade payables : Related parties (Refer Note 42)	2.57	0.84
Total	**6,394.08**	**5,366.70**

(a) For information about MSME disclosure Refer Note 36.

(b) For information about Liquidity Risk and Market Risk Refer Note 34.

Trade Payables Ageing :

Particularls	Unbilled dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	More than 1 year upto 2 years	More than 2 year upto 3 years	More than 3 years	
As at March 31, 2022	668.22	3,810.19	1,876.12	2.04	21.35	16.16	6,394.08
As at March 31, 2021	471.20	4,005.66	848.57	6.09	2.66	32.52	5,366.70

There are no disputed Trade Payables.

22 Other Current financial liabilities

Particulars	March 31, 2022	March 31, 2021
Unpaid Dividend	3.44	-
Interest accrued but not due on borrowings (Refer Note 20)	1.00	0.41
Derivative financial instruments (Refer Note 34)	0.98	6.91
Other Deposits	21.17	12.35
Salary and Wages payable	448.09	577.22
Payables to Related Parties	78.73	0.51
Creditors for Capital Goods	17.38	24.20
Total	**570.79**	**621.60**

There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

23 Provisions

Particulars	March 31, 2022	March 31, 2021
Provision for employee benefits (Refer Note 43)		
a) Provision for Gratuity	379.48	387.31
b) Provision for Compensated Absences	132.47	137.90
Total	**511.95**	**525.21**

24 Other Current liabilities

Particulars	March 31, 2022	March 31, 2021
Contract Liabilities*	136.66	402.21
Statutory Dues	69.42	49.59
Other Payables	41.26	165.84
Total	**247.34**	**617.64**

* Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year

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

25 Revenue from Operations

Particulars		For the year ended March 31, 2022	For the Year ended March 31, 2021
Revenue from contracts with customer			
Sale of Products - recognised at a point in time			
- Manufactured Goods - Domestic		10,572.52	6,616.82
- Manufactured Goods - Export		18,099.24	11,567.05
	Total (A)	28,671.76	18,183.87
Other operating revenue			
(i) Export Incentives		378.75	371.81
(ii) Process waste sale		2,048.00	1,078.38
(iii) Others		103.34	97.53
	Total (B)	2,530.09	1,547.72
Total (A+B)		**31,201.85**	**19,731.59**

(i) Disaggregation of revenue from contracts with customers:

The Company derives revenue from the transfer of goods in the following geographical regions:

Revenue from contracts with customer (Sale of Products)	For the year ended March 31, 2022	For the Year ended March 31, 2021
India	10,572.52	6,616.82
America	6,236.68	3,718.12
Europe	9,067.63	6,218.75
Asia	2,596.51	1,523.87
Latin America	156.60	86.89
Australia	41.82	19.43
Total	**28,671.76**	**18,183.87**

The Company derives revenue from the transfer of following goods :

Product Name	For the year ended March 31, 2022	For the Year ended March 31, 2021
Flywheel Starter Ring Gears	20,952.56	13,018.82
Water Pump Bearings	5,246.10	3,440.41
Flexplates	2,278.57	1,636.63
Others	194.53	88.01
Total	**28,671.76**	**18,183.87**

(ii) Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the period is recognised as revenue during the period while the amount recognised as at the end of the year/period represents advance payments received during the respective period.

26 Other income

Particulars	For the year ended March 31, 2022	For the Year ended March 31, 2021
Dividend income - Trade Investment	0.04	-
Interest income		
- Income Tax Refund	-	41.90
- On Financial Assets at amortised cost	214.57	176.05
Net Gain/(Loss) on :		
(i) Variation in Foreign Exchange Rates	158.31	207.89
(ii) Sale/Discard of Property, Plant and Equiptment	434.68	(9.48)
(iii) Sale of Investments through profit and loss	58.17	64.47
(iv) Fair Valuation of Investments through profit and loss	7.06	4.93
Compensation from Job worker	173.22	101.64
Miscellaneous Income	147.67	50.42
Total	**1,193.72**	**637.82**

27 Cost of raw materials consumed

Particulars	For the year ended March 31, 2022	For the Year ended March 31, 2021
Opening Stock	1,385.35	809.70
Purchases	12,668.07	8,141.22

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

	14,053.42	8,950.92
Less : Closing Stock	(1,649.30)	(1,385.35)
Total	**12,404.12**	**7,565.57**

28 Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended March 31, 2022	For the Year ended March 31, 2021
Opening inventories		
Finished goods	2,685.93	1,945.19
Work-in-progress	571.71	336.75
	3,257.64	**2,281.94**
Closing inventories		
Finished goods	2,794.71	2,685.93
Work-in-progress	406.27	571.71
	3,200.98	**3,257.64**
Total	**56.66**	**(975.70)**

29 Employee benefits expense

Particulars	For the year ended March 31, 2022	For the Year ended March 31, 2021
Salaries, wages, bonus etc.	2,394.43	2,240.00
Contribution to Gratuity Fund (Refer note 43)	70.03	58.74
Contribution to provident funds and other funds (Refer Note 43)	205.80	126.41
Employee Stock Option Plan Expenses (Refer Note 47)	44.98	57.21
Workmen and Staff welfare expenses	111.59	76.07
Total	**2,826.83**	**2,558.43**

30 Finance costs

Particulars	For the year ended March 31, 2022	For the Year ended March 31, 2021
Interest expense on Current borrowings	53.88	87.61
Total	**53.88**	**87.61**

31 Depreciation and amortization expense

Particulars	For the year ended March 31, 2022	For the Year ended March 31, 2021
Depreciation on Property, Plant and Equipment	1,072.18	1,081.45
Depreciation of right of use assets (Refer Note 3(b))	0.98	0.98
Amortization on Intangible assets	3.60	3.71
Total	**1,076.76**	**1,086.14**

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

32(a) Manufacturing and Operating Costs

Particulars	For the year ended March 31, 2022	For the Year ended March 31, 2021
Consumption of stores and spare parts	2,337.17	1,650.59
Power and fuel	1,506.61	1,209.22
Job work charges	1,580.56	1,079.26
Labour Contractor Charges	1,550.00	1,074.70
Repairs to machinery	117.07	68.09
Repairs to building	53.13	52.54
Other Manufacturing and Operating expenses	159.48	137.18
Total	**7,304.02**	**5,271.58**

32(b) Other expenses

Particulars	For the year ended March 31, 2022	For the Year ended March 31, 2021
Rent	15.82	15.56
Insurance	84.64	76.91
Rates and Taxes	3.93	3.67
Commission to selling agents	21.62	14.80
Freight, Octroi etc.	2,487.23	1,212.56
Legal and Professional Expenses*	128.56	96.05
Travelling & Conveyance	77.56	48.17
Bad Debts written off	36.26	8.61
Less : Provision thereagainst	(36.26)	(8.61)
Deposits/Advances Written off	0.24	4.60
Information Technology Outsourcing Cost	24.57	24.86
Security Expenses	95.32	91.63
Director's Sitting Fees & Commission	44.75	8.00
Expenditure towards Corporate Social Responsibility (Refer Note 33)	68.00	74.00
Facilities Charges	217.00	84.51
Miscellaneous Expenses	245.60	162.85
Total	**3,514.84**	**1,918.17**

*** Includes Auditors' remuneration and expenses (net of credit for taxes) :**

Particulars	For the year ended March 31, 2022	For the Year ended March 31, 2021
- Audit Fees	14.50	8.15
- Limited Review Fees	2.75	2.25
- Certification Fees	0.60	0.60
- Reimbursement of out of pocket expenses	0.01	0.38
Total	**17.86**	**11.38**

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

33

a) <u>Corporate Social Responsibility expenditure:</u>

As per section 135 of the Companies Act,2013, a corporate social responsibility (CSR) committee has been formed by the Company. The funds are utilized on the activities which are specifiedin Schedule VII of the Companies Act, 2013. The utilization is done by way of contribution towards various activities

Balance as at	**March 31, 2022**	**March 31, 2021**
a. Amount required to be spent s per Section 135 of the Companies Act,2013	68.00	74.00
b. Amount Spent during the year :		
(i) Construction/Acquisition of an asset	-	-
(ii) On purpose other than (i) above	68.00	74.00
c. Shortfall at the end of the year	-	-
d. Total of the previous years shortfall	-	-
e. reason for shortfall	-	-
f. Nature of CSR Activities	Refer table below	Refer table below
g. Details of related party transactions	-	-
h. where a provision is made with respect to the liability incurred by entering into contractual obligation	-	-

Details of further expense out :

Name of the Project	**March 31, 2022**	**March 31, 2021**
Contribution made to :		
Sponsoring up to 6000 Covid-19 vaccines to general public.	40.50	-
Purchase of an ambulance for providing better healthcare to the general public at large.	20.00	-
Purchase of computers and provide training to underprivileged children.	7.50	-
Establishment of Integrated Livestock Development Centers to upgrade/crossbreed the local indigenous low milk-yielding cows & buffalow.	-	16.33
Construction of dormitory for the Residential Program for Special Needs Children & support for food, rehabilitation services.	-	5.84
Menstrual hygiene programme; -In-house Computer Centre and academic support for school education.	-	20.73
Salaries of the teaching and Nonteaching staff.	-	16.10
Reaching students directly at home through online mode; Contact tracing for COVID	-	15.00
Total	**68.00**	**74.00**

34 Financial risk management objectives and policies

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The Company financial risk management is set by the Working Board. The policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls are monitored by higher authorities and approved by senior management. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

A) 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 market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.

i. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

Particulars	March 31, 2022	March 31, 2021
Borrowings bearing variable rate of interest	901.86	1,049.81

Interest rate sensitivity
A change of 50 bps in interest rates would have following Impact on profit before tax

Particulars	March 31, 2022	March 31, 2021
50 bp increase in interest rate - decrease in profits	(4.88)	(5.63)
50 bp decrease in interest rate - Increase in profits	4.88	5.63

ii. Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by foreign exchange forward contracts in the respective currencies.

Derivative instruments hedged and unhedged foreign currency exposure
(a) Derivative outstanding as at the reporting date

(Foreign currency In lakhs)

Particulars	Currency	March 31, 2022	March 31, 2021
Forward contracts to sell USD	USD	13.00	33.17
Forward contracts to sell EURO	EURO	6.37	17.50

All the derivative instruments have been acquired for hedging purposes.

(b) Particulars of unhedged foreign currency exposures as at the reporting date

As at 31st March 2022

(Foreign currency In lakhs)

Particulars	CHF	YEN	USD	EURO	GBP	REAIS	RINGGIT
Trade Receivable	-		10.90	16.85	0.09	-	-
Covered by forward contracts	-		10.90	6.37	-	-	-
Net Exposure	**-**		**-**	**10.48**	**0.09**	**-**	**-**
Trade Payable	*	0.01	0.81	*	-	-	-
Covered by forward contracts	-	-	-	-	-	-	-
Net Exposure	*	**0.01**	**0.81**	*	**-**	**-**	**-**
Cash and Bank balances - Net Exposure	-	-	*	*	*	*	*
Buyers Credit	-	-	-	1.83	-	-	-
Covered by forward contracts	-	-	-	-	-	-	-
Net Exposure	**-**	**-**	**-**	**1.83**	**-**	**-**	**-**

As at 31st March 2021

Particulars	CHF	YEN	USD	EURO	GBP	REAIS	RINGGIT
Trade Receivable	-	-	9.00	9.41	0.20	-	-
Covered by forward contracts	-	-	9.00	9.41	-	-	-
Net Exposure	-	-	-	-	**0.20**	-	-
Trade Payable	-	-	1.56	-	*	-	-
Covered by forward contracts	-	-	-	-	-	-	-
Net Exposure	-	-	**1.56**	-	*	-	-
Cash and Bank balances - Net Exposure	-	-	*	*	*	*	*

*Amount is below the rounding off norms adopted by the Company.

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

Foreign Currency Risk Sensitivity

A change of 5% in Unhedged Foreign currency would have following Impact on profit before tax

Particulars	2021-2022		2020-21	
	5% Increase	5% decrease	5% Increase	5% decrease
EURO	44.35	(44.35)	-	-
USD	(3.07)	3.07	1.20	(1.20)
YEN	*	*	-	-
GBP	0.44	(0.44)	0.21	(0.21)
Increase / (decrease) in profit or loss	41.72	(41.72)	1.41	(1.41)

*Amount is below the rounding off norms adopted by the Company.

iii Price Risk

Exposure

Security price risk is the risk that the fair value of a financial instrument will fluctuate due to change in market traded prices. The Company invests its surplus funds

Sensitivity

The sensitivity analysis below is presented with reference to changes in NAV of these securities:-

	2021-2022	2020-21
NAV - Increases by 1% *	22.57	13.01
NAV - Decreases by 1% *	(22.57)	(13.01)

* Holding all other variables constant

B. Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company.

The Company is exposed to credit risk from its operating activities (primarily trade receivables) , security deposit and from its investing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalent and other bank balances

Credit risk related to cash and cash equivalents is managed by accepting highly rated banks. Management does not expect any losses from non-performance by these counterparties.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes bank deposits, loans and other receivables. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. The expected credit loss on these financial instruments is expected to be insignificant.

Trade and other receivables

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates have been computed based on ageing.

i) Movement in allowances for expected credit losses on trade receivables

Particulars	March 31, 2022	March 31, 2021
Opening provision	270.15	278.76
Add:- Loss Allowance	-	-
Less:- Write back against money received	(6.49)	-
Less:- Allowances utilised against bad debts	(29.77)	(8.61)
Closing provisions	233.89	270.15

Movement in provisons of doubtful receivables

Particulars	March 31, 2022	March 31, 2021
Opening provision	(128.39)	(128.39)
Add:- Loss Allowance	-	-
Closing provisions	(128.39)	(128.39)

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

C. Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Financing arrangements

The company had access to following undrawn Borrowing facilities at end of reporting period:

Particulars	March 31, 2022	March 31, 2021
Variable Borrowing - Cash Credit expires within 1 year	2,397.69	1,320.19

Maturity patterns of borrowings

Particulars	As at March 31, 2022			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowing (Including current maturity of long term debt)	9.69	-	-	9.69
Short term borrowings (excluding current maturity of long term debt)	901.86	-	-	901.86
Total	**911.55**	**-**	**-**	**911.55**

Particulars	As at March 31, 2021			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowing (Including current maturity of long term debt)	25.84	9.69	-	35.53
Short term borrowings (excluding current maturity of long term debt)	1,049.81	-	-	1,049.81
Total	**1,075.65**	**9.69**	**-**	**1,085.34**

Maturity patterns of Other Financial Liabilities

As at March 31, 2022	0-3 months	3-6 months	6-12 months	beyond 12 months	Total
Trade Payables	6,394.08	-	-	-	6,394.08
Unpaid Dividend	3.44	-	-	-	3.44
Other Current financial liabilities	567.35	-	-	-	567.35
Total	**6,964.87**	**-**	**-**	**-**	**6,964.87**

As at March 31, 2021	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payables	5,366.70	-	-	-	5,366.70
Interest accrued but not due on borrowings	0.41	-	-	-	0.41
Other Current financial liabilities	621.19	-	-	-	621.19
Total	**5,988.30**	**-**	**-**	**-**	**5,988.30**

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

35 Capital risk management

A Risk Management

The primary objectives of the capital management is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

Company manages its capital structure and makes its adjustments in the light of changes in economic environments.

The Company monitors capital on the basis of the following gearing ratio which is total debt net of cash and bank balances divided by total equity

The management monitors the return on capital.

The gearing ratios were as follows:

Particulars	March 31, 2022	March 31, 2021
Net Debt*	1,818.58	436.60
Equity	12,242.28	15,498.81
Gearing Ratio	14.85	2.82

* Net Debt is derived by netting Total Borrowings by Current Investments and Cash & Bank Balances.

B Dividends

Particulars	March 31, 2022	March 31, 2021
Interim Dividend on Equity Shares of Rs. 93 per fully paid equity share in Board Meeting dated October 25, 2021.	7,213.70	-

36 The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 are as follows.

	March 31, 2022	March 31, 2021
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;	-	-
(b) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);	-	-
(d) The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
(e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

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

37 Earnings per share

Particulars	**March 31, 2022**	**March 31, 2021**
Earnings Per Share has been computed as under :		
Profit for the year for computing Earnings Per Share	3,872.65	2,251.63
Weighted average number of equity shares outstanding – For Basic EPS (Face Value – Rs.10 per share)	77,56,671	77,56,671
Add : Weighted average of Employees Stock Option outstanding (Face Value – Rs.10 per share)	1,08,232	1,11,947
Weighted average number of equity shares outstanding – For Diluted EPS (Face Value – Rs.10 per share)	78,64,903	78,68,618
Basic Earnings Per Share	49.93	29.03
Diluted Earnings Per Share	49.24	28.62

38 Assets Pledged as security

The carrying amounts of assets Pledged as security for current and non-current borrowings are:

Particulars	**March 31, 2022**	**March 31, 2021**
Current Assets		
Trade receivables	4,702.75	3,509.91
Inventories	5,158.89	4,917.51
Total assets Pledged as security	**9,861.64**	**8,427.42**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

39 Contingent liabilities (to the extent not provided for)

Particulars	**March 31, 2022**	**March 31, 2021**
Contingent Liabilities		
Sales Tax (excluding Interest)	39.89	39.89
Disputed Income Tax (excluding Interest)	14.26	14.26
Total	**54.15**	**54.15**

Other Matters - Provident Fund :

The Supreme Court of India, through a ruling in February 2019, provided guidelines for interpreting the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. There is significant uncertainty and ambiguity in interpreting and giving effect to the guidelines of Supreme Court. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the Supreme Court Order. The Company will evaluate its position and act as clarity emerges on impact of the ruling.

40 A. Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	**March 31, 2022**	**March 31, 2021**
Property, plant and equipment	1,105.09	118.01
Less: Capital advances	330.65	100.47
Net Capital commitments	**774.44**	**17.54**

B. Social security code

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

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

41 Fair Value measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are 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:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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

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

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

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

Financial Assets and Liabilities as at March 31, 2022

Particulars				Routed through P & L				Routed through OCI	Carrying at amortised cost	At Cost	Total
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total				
Financial Assets											
Investment	8.61	2,257.39	2,266.00	-	2,266.00	-	2,266.00	-	-	-	2,266.00
Loans	19.32	-	19.32	-	-	-	-	-	19.32	-	19.32
Trade receivables	-	4,702.75	4,702.75	-	-	-	-	-	4,702.75	-	4,702.75
Cash and Bank Balances	-	472.74	472.74	-	-	-	-	-	472.74	-	472.74
Bank Balances Other Than above	-	3.50	3.50	-	-	-	-	-	3.50	-	3.50
Other Financial Asset	-	18.48	18.48	-	18.48	-	18.48	-	-	-	18.48
	27.93	**7,458.36**	**7,486.29**	**-**	**2,284.48**	**-**	**2,284.48**	**-**	**5,201.81**	**-**	**7,486.29**
Financial Liabilities											
Borrowings	-	911.55	911.55	-	-	-	-	-	911.55	-	911.55
Trade Payables	-	6,394.09	6,394.09	-	-	-	-	-	6,394.09	-	6,394.09
Other Financial Liabilities	-	570.78	570.78	-	0.98	-	0.98	-	569.80	-	570.78
	-	**7,876.42**	**7,876.42**	**-**	**0.98**	**-**	**0.98**	**-**	**7,875.44**	**-**	**7,876.42**

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

Financial Assets and Liabilities as at March 31, 2021

Particulars				Routed through P & L				Routed through OCI	Carrying at amortised cost	At Cost	Total
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total				
Financial Assets											
Investment	8.61	1,300.59	1,309.19	-	1,308.49	-	1,308.49	-	0.70	-	1,309.19
Loans	20.02	5,000.00	5,020.02	-	-	-		-	5,020.02	-	5,020.02
Trade receivables	-	3,509.91	3,509.91	-	-	-		-	3,509.91	-	3,509.91
Cash and Bank Balances	-	221.35	221.35	-	-	-		-	221.35	-	221.35
Other Financial Assets	-	36.23	36.23	-	35.18	-	35.18	-	1.05	-	36.23
	28.62	**10,068.08**	**10,096.71**	**-**	**1,343.67**	**-**	**1,343.67**	**-**	**8,753.03**	**-**	**10,096.71**
Financial Liabilities											
Borrowings	9.69	1,075.65	1,085.33	-	-	-	-	-	1,085.33	-	1,085.33
Trade Payables	-	5,366.70	5,366.70	-	-	-	-	-	5,366.70	-	5,366.70
Other Financial Liabilities	-	621.59	621.59	-	6.91	-	6.91	-	614.68	-	621.59
	9.69	**7,063.94**	**7,073.63**	**-**	**6.91**	**-**	**6.91**	**-**	**7,066.72**		**7,073.63**

Fair Value of financial assets and liabilities measured at amortised cost.

The carrying amount of trade receivable, trade payable , cash and bank balances, other bank balance and short term borrowings are considered to be the same as their fair values, due to their short-term nature.

In respect of other financial assets/liabilites the difference between the carrying amount and fair value are not expected to be material.

42 Related Parties Disclosures as per Ind AS 24 :

A. Relationships :

i Related parties where control exists, irrespect of whether transaction has occurred or not:

(a) **Ultimate holding Company**
- Raymond Limited

(b) **Holding Company (Refer Note 17)**
- JK Files & Engineering Limited (Formerly known as JK Files (I) Ltd.) (w.e.f. November 11, 2021)
- Scissors Engineering Products Limited (upto November 10, 2021)

II. Entities where control /significant influence by KMP's and their relatives exists and with whom transaction have taken place.

Fellow Subsidiary Companies
- Scissors Engineering Products Limited (upto November 10, 2021)
- Raymond Apparel Limited
- JK Investors (Bombay) Limited
- JK Files & Engineering Limited (Formerly known as JK Files (I) Ltd.)(upto November 10, 2021)

iii Key Management Personnel:
- Mr. V. Balasubramanian – Non-Executive Director (Whole Time Director upto November 15, 2021)
- Mr.Ravikant Uppal - Non-Executive Director
- Mr. Bhuwan Kumar Chaturvedi – Non-Executive Director (w.e.f. May 03, 2021)
- Mr.Parthiv Kilachand - Independent Director (w.e.f March 20, 2020)
- Mr. Shiv Surinder Kumar - Independent Director (w.e.f. June 19, 2021)
- Mr. Satish Chand Mathur - Independent Director (w.e.f. September 15, 2021)

iv Trust

Ring Plus Aqua Limited - Employee Gratuity Scheme.

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

B. Entities where control /significant influence by KMP's and their relatives exists and with whom transaction have taken place.

Nature of transactions	JK Files & Engineering Limited	Raymond Limited	Scissors Engineering Products Ltd	JK Investor Bombay Ltd	Raymond Apparel Ltd	Dress Master Apparel Pvt. Ltd.	Key Management personnel & their relatives
Other Income							
Interest Income	- *(-)*	- *(-)*	- *(-)*	- *(-)*	209.59 *(9.86)*	- *(85.58)*	- *(-)*
Sale of Property, Plant and Equipment	- *(-)*	- *(-)*	- *(-)*	970.87 -	- *(-)*	- *(-)*	- *(-)*
Miscellaneous Income	- *(-)*	- *(-)*	- *(-)*	19.22 *(-)*	- *(-)*	- *(-)*	- *(-)*
Purchases							
Goods and Material	6.79 *(6.02)*	1.81 *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*
Expenses							
Rent	- *(-)*	12.81 *(6.40)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*
Facilities Charges	- *(-)*	*217.00* *(90.92)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*
Director Sitting Fees & Commission	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	44.75 *(8.00)*
Legal and Professional Expenses	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	16.00 *(13.00)*
Miscellaneous expenses	- *(-)*	- *(-)*	- *(-)*	35.20 *(0.16)*	- *(-)*	- *(-)*	- *(-)*
Reimbursement of Expenses (Miscellaneous Expenses)	12.56 *(1.41)*	37.13 *(31.67)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*
Finance							
Repayment of Inter Corporate loan Given	- *(-)*	- *(-)*	- *(-)*	- *(-)*	5,000.00 *(-)*	- *(1,500.00)*	- *(-)*
Inter Corporate loan Given	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(5,000.00)*	- *(-)*	- *(-)*
Dividend Paid	- *(-)*	- *(-)*	*6,425.00* -	*461.43* *(-)*		- *(-)*	- *(-)*
Outstanding							
Trade Payable	0.67 *(0.84)*	1.90 *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*
Other Current Financial Liability	0.41 *(0.27)*	58.32 *(0.24)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	20.00 *(-)*
Unsecured Loan receivable	- *(-)*	- *(5,000.00)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*

(Previous year figures are in brackets)

C. Transactions carried out with Key Managerial Person, in the ordinary course of business :

Particulars	**March 31, 2022**	**March 31, 2021**
Short-term employee benefit	135.86	129.05
Post-employment benefit	3.82	6.09
Total	**139.68**	**135.14**

Note : The amount in respect of gratuity and compensated absences is not disclosed as the same is not determinable for the key managerial person separately.

43 Post retirement benefit plans

I. DEFINED CONTRIBUTION PLAN:

The Company has defined contribution plan. Contributions are made to provident fund and ESIC for employees as per regulations. The obligation of the company is limited to the amount contributed and it has no further contractual or constructive obligation. The expense recognised during the year are :

Particulars	March 31, 2022	March 31, 2021
Contribution to Provident Fund	201.57	121.61
Contribution to E.S.I.C.	4.23	4.80
Total Contribution to provident funds and other funds	**205.80**	**126.41**

II. DEFINED BENEFIT PLANS (GRATUITY) :

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of Rs. 20 lakhs (Previous year Rs. 20 lakhs). The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

A. Balance Sheet

Particulars	March 31, 2022	March 31, 2021
Present value of plan liabilities	962.40	954.29
Fair value of plan assets	582.91	566.98
Plan liability net of plan assets	379.49	387.31

B. Movements in plan assets and plan liabilities

Particulars	Plan Assets	Plan liabilities	Plan liability net of plan assets
As at 1st April 2021	566.98	954.29	387.31
Current service cost	-	45.09	45.09
Return on plan assets excluding Interest Income	12.54	-	(12.54)
Interest cost	-	61.46	61.46
Interest income	36.51	-	(36.51)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	0.24	0.24
Actuarial (gain)/loss arising from changes in financial assumptions	-	(25.99)	(25.99)
Actuarial (gain)/loss arising from experience adjustments	-	(14.57)	(14.57)
Employer contributions	25.00	-	(25.00)
Benefit paid from fund	(58.12)	(58.12)	-
As at 31st March 2022	**582.91**	**962.40**	**379.49**

Particulars	Plan Assets	Plan liabilities	Plan liability net of plan assets
As at 1st April 2020	512.27	784.62	272.35
Current service cost	-	40.11	40.11
Return on plan assets excluding Interest Income	53.45	-	(53.45)
Interest cost	-	53.67	53.67
Interest income	35.04	-	(35.04)
Actuarial (gain)/loss arising from changes in financial assumptions	-	28.56	28.56
Actuarial (gain)/loss arising from experience adjustments	-	81.11	81.11
Benefit paid from fund	(33.78)	(33.78)	-
As at 31st March 2021	**566.98**	**954.29**	**387.31**

C. The liabilities are split between different categories of plan participants as follows:

Particulars	March 31, 2022	March 31, 2021
No of Members in Service	485	490
The weighted average duration of the defined benefit plans	9	9
The Company expects to contribute to the funded plans in next 12 months (Rs. Lakhs)	85.45	87.05

D. Statement of Profit and Loss

Particulars	March 31, 2022	March 31, 2021
Employee Benefit Expenses:		
Current service cost	45.09	40.11
Interest cost	24.94	18.63
Net impact on the Profit before tax	70.03	58.74
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in interest expense/income	(12.54)	(53.45)
Actuarial (Gains)/Losses on Obligation For the Period	(40.31)	109.67
Net impact on the Other Comprehensive Income before tax	**(52.85)**	**56.22**

E. Defined benefit plans Assets

Particulars	March 31, 2022	March 31, 2021
Insurer Managed Fund	582.92	566.99

F. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date

The significant actuarial assumptions were as follows:

Particulars	March 31, 2022	March 31, 2021
Financial Assumptions		
Discount rate	6.98%	6.44%
Salary Escalation Rate	6.5% to 7.5%	3% to 7.5%
Salary Attrition Rate	For Workers 2% For Staff 15%,10% & 5%	For Workers 2% For Staff 15%,10% & 5%
Demographic Assumptions :		
Mortality in service	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) Ultimate

G. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

Current Year	Increase in assumption	Decrease in assumption
Discount rate: (+1%and -1%)	(65.76)	74.08
Salary Escalation Rate (+1%and -1%)	71.88	(65.24)
Employee Turnover (+1%and -1%)	(2.23)	2.44

Previous Year	Increase in assumption	Decrease in assumption
Discount rate: (+1%and -1%)	(68.88)	77.97
Salary Escalation Rate (+1%and -1%)	75.81	(68.71)
Employee Turnover (+1%and -1%)	(4.17)	4.66

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

H. 1. The defined benefit obligations shall mature after year as follows:

Year ending 31 March,	**March 31, 2022**	**March 31, 2021**
1st Following Year	70.70	57.85
2nd Following Year	47.79	52.88
3rd Following Year	65.48	64.06
4th Following Year	77.91	71.33
5th Following Year	66.59	77.24
Sum of 6 to 10	579.66	484.77

2. Compensated Absences :

The amount of provision of Rs. 132.47 lakhs (March 31, 2021 Rs. 137.90 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligation.

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

44 Net Debt Reconciliation :

Particulars	March 31, 2022	March 31, 2021
Cash and Bank Balances	472.74	221.35
Current Investment	2,257.39	1,300.59
Non-current borrowings	-	(9.69)
Current borrowings	(911.55)	(1,075.65)
Net debt	**1,818.58**	**436.60**

Particulars	Other Asset		Liabilities from financing activities		Total
	Cash and Bank Balances	Current Investment	Non-current borrowings	Current borrowings	
Net debt as at March 31, 2020	**402.88**	**1,597.43**	**(76.64)**	**(1,201.86)**	**721.81**
Net Cashflows	(231.53)	(316.24)	66.95	126.21	(354.61)
Fair Valuation of Current Investment	-	4.93	-	-	4.93
Gain on Redemption on Current Investment	-	64.47	-	-	64.47
Deposits with maturity more than three months	50.00	(50.00)	-	-	-
Interest expenses	-	-	-	(87.61)	(87.61)
Interest paid	-	-	-	87.61	87.61
Net debt as at March 31, 2021	**221.35**	**1,300.59**	**(9.69)**	**(1,075.65)**	**436.60**
Net Cashflows	251.39	891.58	9.69	164.10	1,316.76
Fair Valuation of Current Investment	-	7.06	-	-	7.06
Gain on Redemption on Current Investment	-	58.16	-	-	58.16
Interest expenses	-	-	-	(53.88)	(53.88)
Interest paid	-	-	-	53.88	53.88
Net debt as at March 31, 2022	**472.74**	**2,257.39**	**-**	**(911.55)**	**1,818.58**

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2022
(All amounts are in Rs. lakhs, unless stated otherwise)

45 Segment Disclosure :

The Company's business activity falls within a single primary business segment of manufacture of auto components. Accordingly, the Company is a single segment company in accordance with Indian
Further, no single customer contributes to more than 10% of the company's revenue.
Entity wide disclosure -Information in respect of geographical area is as under :

	India		America		Europe		Asia		Latin America		Australia		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue from contracts with customer *	10,572.52	6,616.82	6,236.68	3,718.12	9,067.63	6,218.75	2,596.51	1,523.87	156.60	86.89	41.82	19.43	28,671.76	18,183.87
Carrying cost of segment non-current asset**	8,227.03	8,450.18	-	-	-	-	-	-			-	-	8,227.03	8,450.18

* Based on location of customer
** Excluding financial asset and deferred tax asset

Considering the nature of business of Company in which it operates, the Company deals with various customers including multiple geographics. Consequently, none of the customer contribute materially to the revenue of the Company.

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

46 Ratios :

Sr. No.	Ratios	Unit of measurement	March 31, 2022	March 31, 2021	Variance March 31, 2022 vs March 31, 2021
1	Current Ratio	in times	1.46	1.79	-19%
2	Debt-Equity Ratio	in times	0.07	0.07	6%
3	Debt Service Coverage Ratio	in times	62.76	30.57	105%
4	Return on Equity Ratio	in percentages	28%	16%	75%
5	Inventory turnover ratio	in times	3.92	2.88	36%
6	Trade Receivables turnover ratio	in times	0.14	0.18	-21%
7	Trade payables turnover ratio	in times	3.66	2.82	29%
8	Net capital turnover ratio	in times	7.23	2.75	163%
9	Net profit ratio	in percentages	14%	13%	7%
10	Return on Capital employed	in percentages	39%	18%	119%
11	Return on investment	in percentages	4%	5%	-23%

Reasons for variance of more than 25% in above ratios :

1 Debt Service Coverage Ratio : Debt service ratio has improved due to upswing of Company's overall performance by focusing on operational efficicencies and also because of strong demand in autocomponent sector in current year.

2 Return on Equity Ratio : This is due overall good performance of the company due to strong demand in the auto component sector leading to higher profitability over previous year.

3 Inventory turnover ratio : Inventory Turnover ratio has improved due to better controls on inventory level and higher scale over previous year.

4 Trade payables turnover ratio : The ratio has increase due to increase in pruchase/expenses over previous year.

5 Net capital turnover ratio : This ratio has improved due to better controls on working capital and increase in scale over previous year.

6 Return on Capital employed : This is due overall good performance of the company due to strong demand in the auto component sector leading to higher profitability over previous year and better control over capital employed in the business.

Components of Ratio :

Sr. No.	Ratios	Numerator	Denominator	March 31, 2022		March 31, 2021	
				Numerator	Denominator	Numerator	Denominator
1	Current Ratio	Current Asset	Current Liabilities	12,613.75	8,649.61	14,985.59	8,366.58
2	Debt-Equity Ratio	Total Debts	Total Equity (Equity Share Capital + Other Equity)	911.55	12,242.28	1,085.33	15,498.80
3	Debt Service Coverage Ratio	Earnings available for debt service (Net profit before exceptional items & tax expence + depreciation + finance cost)	Finance cost + principle repayment of long term borrowings during the period/year	5,003.28	79.72	3,467.84	113.45
4	Return on Equity Ratio	Net profit after tax	Average Equity	3,872.65	13,870.54	2,294.08	14,365.42
5	Inventory turnover ratio	Revenue from Sale of Products	Average Inventory	19,764.80	5,158.89	11,861.44	4,917.51
6	Trade Receivables turnover ratio	Revenue from Sale of Products	Average Trade Receivables	28,671.76	4,702.75	18,183.87	3,509.91
7	Trade payables turnover ratio	Purchase of Raw Materials + Manufacturing and operating cost + Other Expenses (excluding Directors sitting fees & Commisssion + Expenditure towards Corporate social responsibility + Baddebts w/off - Provision withdrawn thereagainst + Deposits w/off)	Average Trade Payables	23,373.93	6,394.09	15,159.34	5,366.70
8	Net capital turnover ratio	Revenue from Sale of Products	Current Asset - Current Liabilities	28,671.76	3,964.14	18,183.87	6,619.01
9	Net profit ratio	Net profit after tax	Revenue from Sale of Products	3,872.65	28,671.76	2,294.08	18,183.87
10	Return on Capital employed	Profit before interest and tax	Equity + Debts	5,212.34	13,534.55	2,973.53	16,915.90
11	Return on investment	Profit on sale of investment + Fair valuation of investment	Average Current Investment + Average Non Current Investment	65.22	1,787.59	69.40	1,457.61

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

47 <u>Share Based Payments :</u>

A. The company has instituted Ring Plus Aqua Limited - Employee Stock Option Scheme 2019 (RPAL ESOP 2019), pursuant to the approval of the shareholders of the company at their Extra Ordinary General Meeting held on March 1, 2019. The Option Plan is designed to provide incentives to employees for long term value creation. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Once vested, the options remain exercisable for a period of one years.

Options are granted under the plan, carry no dividend or voting rights. When exercisable, each option is convertible into one equity share of face value Rs. 10 per share.

Under ESOP 2019, the company has granted 111,947 stock options for fair value of option determined on the date of grant.

<u>Fair Value of options granted</u> :

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at
The options are granted for no consideration and vest as per vesting period mentioned below.

Summary of options granted under the plan :

	Number of options	**Number of options**
Opening balance	1,11,947	1,11,947
Granted during the year	-	-
Exercised during the year	-	-
Forfeited during the year	3,715	-
Closing balance	1,08,232	1,11,947

The model inputs for options granted included :

Date of grant	26-Apr-19
Number of options granted	1,11,947
Exercise price per option	Rs. 10.00
Vesting period	Over a period of 4 years from the date of Initial Public Offering (IPO) of the Company as under :
	40% of Options at the time of Company's IPO
	20% of Options after completing 1 year of Company's IPO
	20% of Options after completing 2 year of Company's IPO
	20% of Options after completing 3 year of Company's IPO
Exercise period	One year from the date of vesting
Expected Terms	5.9 years
Share Price at grant date	277
Expected Price volatility of the Company's Shares	48%
Expected dividend yield	0%
Risk-Free interest rate	7.67%

B. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at
The effect of Share Based Payments on the Company's Statement of Profit or Loss for the period and on its Financial Position :
The total expenses arising from share-based payments transactions recognised in profit or loss as part of employee benefit expense are as follows :

Particulars	**March 31, 2022**	**March 31, 2021**
Salaries and Wages	44.98	57.21

48 The Company is in the business of manufacturing and exporting Ring Gears, Flexplates, Water Pump Bearings, machined components, both for auto component and engineering products. The Company has strong contingency plans in place to secure operations and supply chain so that production of its key products can continue.

The management of the Company has carried out a detailed assessment for impact of ongoing Covid -19 pandemic on its business operations (including liquidity position) and concluded that no material adjustments are considered necessary in the financial statements as at March 31, 2022. Further, based on the current scenario, the management does not foresee any material impact in the subsequent periods as well.

49 Effective October 31, 2021, SEPL has become a wholly owned subsidiary of JK Files & Engineering Limited. Subsequently, SEPL transferred 89.07% of equity share capital of Ring Plus Aqua Limited ('RPAL'), the then subsidiary of SEPL, at Nil consideration to JK Files & Engineering Limited. Accordingly, effective November 11, 2021, RPAL has become a direct subsidiary of JK Files & Engineering Limited.

50 Additional regulatory information required by Schedule III :

(i) Details of benami property held :

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Valuation of PP&E, intangible asset and investment property :

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(iii) Wilful defaulter :

None of the entities in the Company have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies :

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies :

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements :

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

(vii) Utilisation of borrowed funds and share premium :

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

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.

(viii) Undisclosed income :

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency :

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

51 The Company has approved its financial statements in its Board Meeting dated May 12, 2022.

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

sd/
Arunkumar Ramdas
Partner
Membership No. 112433

Place : Mumbai
Date : May 12, 2022

For and on behalf of Board of Directors

sd/
V. Balasubramanian
Director
DIN : 05222476

sd/
B.K. Chaturvedi
Director
DIN: 00144487

sd/
Sitesh Maheshwari
Chief Financial Officer

sd/
Reshma Ramchandani
Company Secretary

SCISSORS ENGINEERING PRODUCTS LIMITED

ANNUAL REPORT 2021-22

BOARD OF DIRECTORS	:	SHRI THOMAS FERNANDES SHRI VIJAY NANA PATIL SHRI SRINIVASAN GANAPATHY
MANAGER	:	SHRI KAMLAKAR TAK
CHIEF FINANCIAL OFFICER	:	SHRI SITESH MAHESHWARI
STATUTORY AUDITORS	:	M/S PRICE WATERHOUSE, CHARTERED ACCOUNTANTS, LLP
REGISTERED OFFICE	:	NEW HIND HOUSE, NAROTTAM MORARJI MARG, BALLARD ESTATE, FORT, MUMBAI – 400001, MAHARASHTRA, INDIA

SCISSORS ENGINEERING PRODUCTS LIMITED
(CIN: U29130MH2005PLC154732)
DIRECTORS' REPORT

To,
The Members of
SCISSORS ENGINEERING PRODUCTS LIMITED
The 'Company'

Your Directors present their Seventeenth Annual Report together with the Audited Financial Statements for the year ended March 31, 2022.

1. FINANCIAL HIGHLIGHTS / OPERATIONAL PERFORMANCE

The total revenue of the Company for the Financial Year 2021-22 was Rs. Nil (Previous Year: Nil). During the year under review, your Company has registered a profit of Rs. 64.22 crore (Previous Year: Loss of Rs. 0.02 crore).

2. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l)of the Companies Act, 2013, there are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report except the change in the Holding company of the Company from Raymond Limited to JK Files & Engineering Limited (formerly known as JK Files (India) Limited) with effect from October 31, 2021.

3. DIVIDEND

During the year under review, the Company had declared an interim dividend of Rs. 35.30/- per equity share on 1,81,31,365 equity shares of the face value of Rs. 10/- each aggregating to Rs. 64,00,37,184.50/-. This will be confirmed as the final dividend for the Fy 2021-22.

4. RESERVES

Your Company has not transferred any amount to the General Reserves of the Company.

5. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

During the period under review, the Company had transferred majority of its equity stake (i.e. 89%) held in Ring Plus Aqua Limited (the then subsidiary company). Accordingly, it ceased to be a subsidiary of the Company with effect from October 31, 2021.

6. STATUTORY AUDITORS

M/s Price Waterhouse Chartered Accountants LLP (ICAI Firm Registration Number 012754N/N500016) were appointed as the statutory auditors of the Company for a period of 5 years commencing from the conclusion of 12th Annual General Meeting ("AGM") till the conclusion of 17th AGM.

There was no qualification / reservation / adverse remark or disclaimer made by the Statutory Auditors during the year under review.

M/s Price Waterhouse Chartered Accountants LLP are completing their first term as the Statutory Auditors at the ensuing AGM, accordingly, it is recommended by your Directors for their re-appointment for a second term of five years.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new/revised standard operating procedures.

8. SHARE CAPITAL

Equity Shares
During the year under review, there has been no change in the Authorized and Paid-up Equity Share Capital of the Company.

Preference Shares
During the year under review, there has been no change in the Authorized and Paid-up Preference Share Capital.

9. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

No Loans, Guarantees and Investments under the provisions of Section 186 of the Companies Act, 2013 have been accepted, given or made by the Company.

11. DIRECTORS

a. Changes in Directors and Key Managerial Personnel

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Srinivasan Ganapathy (DIN: 07379783) Director of the Company, retires by rotation at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment.

During the year under review, Shri Jaydip Dhar resigned as the Company Secretary of the Company with effect from March 31, 2022. The Board is in process of filling the said vacancy.

During the year, following Board Meetings were held:

Sr. No.	DATE OF BOARD MEETINGS	Name of Directors		
		Shri Thomas Fernandes	Shri Srinivasan Ganapathy	Shri Vijay Patil
1	**03.05.2021**	✓	✓	✓
2	**29.06.2021**	✓	✓	✓
3	**26.07.2021**	✓	✓	✓
4	**24.09.2021**	✓	✓	✓
5	**25.10.2021**	✓	✓	✓
6	**29.10.2021**	✓	✓	✓
7	**31.10.2021**	✓	✓	✓
8	**30.11.2021**	✓	✓	✓
9	**19.01.2022**	✓	✓	✓
10	**08.03.2022**	✓	✓	✓

b. Key Managerial Personnel (KMP):

During the year under review, there is no change in Key Managerial Personnel except the resignation of Company Secretary as mentioned above.

As on 31st March, 2022, your Company has the following KMPs:

Sr. No.	Name of the Person	Designation
1	Shri Kamlakar Tak	Manager
2	Shri Sitesh Maheshwari	Chief Financial Officer

12. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

13. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Board under Section 143(12) of Act and Rules framed thereunder.

14. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year under review were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

15. RISK MANAGEMENT

As your Company has not undertaken any business, hence this disclosure is not required during the year under review.

16. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

i. that in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
ii. that the directors have 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 as at March 31, 2022 and of the loss of the Company for the year ended on that date;
iii. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv. that the directors have prepared the annual accounts on a going concern basis; and
v. that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company had no manufacturing activities during the period under review, the details as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo is not applicable to the Company.

18. ANNUAL RETURN

As per Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and relevant Rules, as amended from time to time, every company is required to place a copy of the annual return on the website of the Company, if any, and the web-link of such annual return shall be disclosed in the Board's report. Since the Company does not have a website, such provisions shall not be applicable to the Company.

19. PARTICULARS OF EMPLOYEES

Since the Company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2022 is not applicable.

20. DISCLOSURE UNDER SEXUAL HARASSMENT ACT

Since the Company does not have any employees on its payroll, this disclosure under the above act is not applicable.

21. ACKNOWLEDGEMENT

The Board records its appreciations for the co-operation, support and valuable guidance received from Banks, Central and State Government Authorities.

For and on behalf of the Board
SCISSORS ENGINEERING PRODUCTS LIMITED

Vijay Patil
Director
DIN: 07173161

Srinivasan Ganapathy
Director
DIN: 07379783

Place: Thane
Date: May 13, 2022

Independent Auditor's Report

To the Members of Scissors Engineering Products Limited

Report on the Audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Scissors Engineering Products Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity 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.

2. 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 March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 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.

6. 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 financial statements

7. 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.

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

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

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

   - Conclude on the appropriateness of 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.

   - 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.

9. 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.

10. 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.

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. 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.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company 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 as at March 31, 2022.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

13. The Company has not paid/ provided for managerial remuneration during the year. Accordingly, the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-
Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 22112433AIXUQH8218

Mumbai
Date: May 13, 2022

Annexure A to Independent Auditor's Report

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Scissors Engineering Products Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 ("the Guidance Note") 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, 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 issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-
Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 22112433AIXUQH8218

Mumbai
Date: May 13, 2022

Annexure B to Independent Auditors' Report

i. (a) The Company did not have any property, plant and equipment and Intangible assets at any time during the year. Accordingly, reporting under Clause 3(i)(a) is not applicable to the Company.

(b) The Company did not have any property, plant and equipment at any time during the year. Accordingly, reporting under Clause 3(i)(b) is not applicable to the Company.

(c) According to the information and explanations given to us and the records of the Company examined by us, the Company does not own any immovable properties. Therefore, the provisions of clause 3(i)(c) of the Order are not applicable to the Company.

(d) The Company did not have any property, plant and equipment and Intangible assets at any time during the year. Accordingly, reporting under Clause 3(i)(d) is not applicable to the Company.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

ii. (a) The Company does not hold any inventory. Therefore, the provisions of clause 3(ii)(a) of the Order are not applicable to the Company.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b),(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, income tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short term basis.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(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, joint ventures or associate companies.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, 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.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of the related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. The Company is not mandated to have an internal audit system during the year.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order 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, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year and had incurred cash losses of Rs. 1.72 lakhs in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 21 to the financial statements), 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 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-
Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN:22112433AIXUQH8218

Mumbai
Date: May 13, 2022

SCISSORS ENGINEERING PRODUCTS LIMITED
Balance Sheet as at March 31, 2022
(All amounts are in Rs. Lakhs, unless stated otherwise)

	Particulars	Note	As at March 31, 2022	As at March 31, 2021
I	**ASSETS**			
1	**Non-current Assets**			
	Investment in Subsidiary	2	-	2,838.08
	Financial Assets			
	Other Financial Assets	3	1.34	1.34
	Non - current Tax assets		6.42	-
	Total Non-Current Assets		**7.76**	**2,839.42**
2	**Current assets**			
	Financial Assets			
	(i) Current Investment	4	0.05	-
	(ii) Cash and cash equivalents	5	19.41	3.22
	(iii) Bank Balances Other Than (ii) above	6	0.06	-
	Total Current Assets		**19.52**	**3.22**
	TOTAL ASSETS		**27.28**	**2,842.64**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	Share Capital	7A	1,813.14	1,813.14
	Other Equity	7B	(1,788.02)	1,028.73
	Total Equity		**25.12**	**2,841.87**
2	**Liabilities**			
	Current liabilities			
	(a) Financial Liabilities			
	Trade Payable	8		
	(i) Total outstanding dues of micro and small enterprises		-	-
	(ii) Total outstanding dues other than (i)		2.05	0.73
	(b) Other current liabilities	9	0.11	0.04
	Total Current Liabilities		**2.16**	**0.77**
	TOTAL EQUITY AND LIABILITIES		**27.28**	**2,842.64**
	The accompanying notes are an integral part of these financial statements	**1 to 24**		

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

For and on behalf of the Board

Sd/-
Arunkumar Ramdas
Partner
Membership No. 112433

Sd/-
Srinivasan Ganapathy
Director
DIN:07379783

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Sitesh Maheshwari
Chief Financial Officer

Place: Mumbai
Date: May 13, 2022

SCISSORS ENGINEERING PRODUCTS LIMITED
Statement of Profit and Loss for the year ended March 31, 2022
(All amounts are in Rs. Lakhs, unless stated otherwise)

	Particulars	Note	For the Year ended March 31, 2022	For the Year ended March 31, 2021
I	**Revenue from Operations**		-	-
II	**Other Income**	10	**6,425.00**	
III	**Total Income**		**6,425.00**	**-**
IV	**Expenses**			
	Other expenses	11	3.34	1.72
	Total expenses		**3.34**	**1.72**
V	**Profit/(Loss) before tax**		**6,421.66**	**(1.72)**
VI	**Tax expense**		-	-
VII	**Profit/(Loss) for the Year (V - VI)**		**6,421.66**	**(1.72)**
VIII	**Other Comprehensive Income**		-	-
IX	**Other Comprehensive Income for the year**		-	-
X	**Total Comprehensive Income for the year (VII+IX)**		**6,421.66**	**(1.72)**
XI	**Earnings per equity share of Rs. 10 each :**			
	Basic & Diluted	12	35.42	(0.01)
The accompanying notes are an integral part of these financial statements		**1 to 24**		

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Sd/-
Arunkumar Ramdas
Partner
Membership No. 112433

For and on behalf of the Board

Sd/-
Srinivasan Ganapathy
Director
DIN:07379783

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Sitesh Maheshwari
Chief Financial Officer

Place: Mumbai
Date: May 13, 2022

SCISSORS ENGINEERING PRODUCTS LIMITED
Statement of Changes in Equity as at March 31, 2022
(All amounts are in Rs. Lakhs, unless stated otherwise)

A. EQUITY SHARE CAPITAL :

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Balance as at the beginning of the year	7A	1,813.14	1,810.14
Add: Shares issued during the year		-	3.00
Balance as at the end of the year		**1,813.14**	**1,813.14**

B. OTHER EQUITY :

Particulars	Note	Reserves and Surplus			Total
		Capital Reserve	Securities Premium	Retained Earnings	
Balance as at March 31, 2020	7B	**-**	**1,070.98**	**(40.53)**	**1,030.45**
Loss for the year		-	-	(1.72)	(1.72)
Other Comprehensive Income for the year		-	-	-	-
Total Comprehensive Income for the year		-	-	(1.72)	(1.72)
Addition during the year		-	-	-	-
Balance as at March 31, 2021		**-**	**1,070.98**	**(42.25)**	**1,028.73**
Profit for the year		-	-	6,421.66	6,421.66
Other Comprehensive Income for the year		-	-	-	-
Total Comprehensive Income for the year		-	-	6,421.66	6,421.66
Dividend Paid		-		(6,400.37)	(6,400.37)
Addition during the year		(2,838.04)	-	-	(2,838.04)
Balance as at March 31, 2022		**(2,838.04)**	**1,070.98**	**(20.96)**	**(1,788.02)**
The accompanying notes are an integral part of these financial statements	**1 to 24**				

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

For and on behalf of the Board

Sd/-
Arunkumar Ramdas
Partner
Membership No. 112433

Sd/-
Srinivasan Ganapathy
Director
DIN:07379783

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Sitesh Maheshwari
Chief Financial Officer

Place: Mumbai
Date: May 13, 2022

SCISSORS ENGINEERING PRODUCTS LIMITED
Statement of Cash Flow for the year ended March 31, 2022
(All amounts are in Rs. Lakhs, unless stated otherwise)

Particulars	For the Year ended March 31, 2022		For the Year ended March 31, 2021	
A. Cash Flow from Operating Activities				
Profit/(Loss) before tax		6,421.66		(1.72)
Adjustments for :				
Dividend received		(6,425.00)		-
Operating Profit Before Working Capital Changes		(3.34)		(1.72)
Adjustment for :				
(Increase) in Other Current Assets	(0.06)		-	
Increase/(Decrease) in Trade Payables and Liabilities	1.38		(0.23)	
		1.32		(0.23)
Cash used in Operations		(2.02)		(1.94)
Add / (Deduct): Taxes Paid (Net)		(6.42)		-
Net Cash Inflow/(Outflow) from Operating Activities		**(8.44)**		**(1.94)**
B. Cash Flow from Investing Activities				
Dividend Received		6,425.00		-
Net Cash Inflow/(Outflow) from Investing Activities		**6,425.00**		**-**
C. Cash Flow from Financing Activities				
Dividend Paid		(6,400.37)		
Issue of Shares		-		3.00
Net Cash Inflow/(Outflow) from Financing Activities		**(6,400.37)**		**3.00**
Net Increase in Cash and Cash Equivalents (A+B+C)		16.19		1.06
Add: Cash and Cash Equivalents at the beginning of the financial Year		3.22		2.16
Cash and Cash Equivalents as at the end of the Year		**19.41**		**3.22**

Reconcilation of Cash and Cash Equivalents as per Cash Flow Statement	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Cash and Cash Equivalent (Refer Note 5)	19.41	3.22
Balance as per Statement of Cash Flows	19.41	3.22
The accompanying notes are an integral part of these financial statements	**1 to 24**	

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

For and on behalf of the Board

Sd/-
Arunkumar Ramdas
Partner
Membership No. 112433

Sd/-
Srinivasan Ganapathy
Director
DIN:07379783

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Sitesh Maheshwari
Chief Financial Officer

Place: Mumbai
Date: May 13, 2022

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in Rs. Lakhs, unless stated otherwise)

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

I. Background

Scissors Engineering Products Limited is a company incorporated in India having registered office at Mumbai and Corporate identification Number-U29130MH2005PLC154732.

II. Basis of preparation of financial statements

The accounting policies are applied consistently to all the periods presented in the financial statements.

III. Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS

These financial statements comply in all material aspects with the Indian Accounting Standards notified under section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis.

(iii) Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments
are effective from 1 April 2021.
Consequent to above, the Company has changed the classification/presentation of security deposits, in the current year.
Security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'other financial assets' line item. Previously, these deposits were included in 'loans' line item. The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1.

Balance Sheet (Extract)	March 31, 2021 (Previously reported)	Increase/ (Decrease)	March 31, 2021 (Restated)
Loans (Non-Current)	1.34	(1.34)	-
Other Financial Assets (Non-Current)	-	1.34	1.34

(iv) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Companies Act, 2013.

(v) Rounding of amounts

All amounts disclosed in financial statements and notes are rounded off to nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.
The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

(d) Trade Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(e) Investments and other financial assets

(i) Classification

The company classifies its financial assets at carrying cost.

(ii) Measurement

Equity instruments:

At initial recognition, the company measures a financial asset at its cost.

(iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Note 15 details how the Company determines whether there has been a significant increase in credit risk.

(v) Derecognition of financial assets

A financial asset is derecognised only when:

• the Company has transferred the rights to receive cash flows from the financial asset or

• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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

(f) Investment in Subsidiaries

Investments in subsidiaries are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

(g) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in the Financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the Financial statement unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

(h) Dividends :

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(i) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in Rs. Lakhs, unless stated otherwise)

2 Investment in Subsidiary

Particulars	As at March 31, 2022	As at March 31, 2021
Unquoted		
Equity Instrument at Cost		
Ring Plus Aqua Limited (Refer Note 7B)		
Nil (Previous Year 69,08,602) Equity Shares of Rs.10 each fully paid	-	2,838.08
Total	**-**	**2,838.08**

3 Other Financial Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposit - Unsecured	1.34	1.34
Total	**1.34**	**1.34**

Break-up of Security details :

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposits considered good - Secured	-	-
Security Deposits considered good - Unsecured	1.34	1.34
Security Deposits which have significant increase in credit risk	-	-
Security Deposits - credit impaired	-	-
Total	1.34	1.34
Less: Allowance for doubtful Security Deposits	-	-
Total Security Deposits	**1.34**	**1.34**

4 Current Investment

Particulars	As at March 31, 2022	As at March 31, 2021
Unquoted		
Equity Instrument at Cost		
Ring Plus Aqua Limited		
120 (Previous Year Nil) Equity Shares of Rs.10 each fully paid	0.05	-
Total	**0.05**	**-**
Aggregate amount of unquoted investments	**0.05**	**-**

5 Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	0.01	0.01
Balances with Banks - Current Accounts	19.40	3.21
Total	**19.41**	**3.22**

6 Other Bank Balances

Particulars	As at March 31, 2022	As at March 31, 2021
Balance in Dividend Account	0.06	-
Total	**0.06**	**-**

(All amounts are in Rs. Lakhs, unless stated otherwise)

7A

a) Share capital

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Authorised		
2,53,52,500 (P.Y: 2,53,52,500) Equity Shares of Rs. 10 each	2,535.25	2,535.25
5,64,750 (P.Y: 5,64,750), 9% Non-cumulative Compulsory Convertible Preference Share of Rs. 100 each	564.75	564.75
Issued		
1,81,31,365 (P.Y.: 1,81,31,365) Equity Shares of Rs.10 each	1,813.14	1,813.14
Subscribed and fully paid up		
1,81,31,365 (P.Y.: 1,81,31,365) Equity Shares of Rs.10 each	1,813.14	1,813.14

b) Reconciliation of number of shares

PARTICULARS	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	1,81,31,365	1,813.14	1,81,01,365	1,810.14
Add: Issue of Rights Share	-	-	30,000	3.00
Balance as at the end of the year	**1,81,31,365**	**1,813.14**	**1,81,31,365**	**1,813.14**

c) Shares held by holding company

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Equity Shares of Rs. 10 held by:		
JK Files and Engineering Limited	1,81,31,365	-
Raymond Limited and jointly held with nominees	-	1,81,31,365

d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

NAME OF SHAREHOLDERS	As at March 31, 2022		As at March 31, 2021	
	% of Holding	Number of shares	% of Holding	Number of shares
Equity Shares :				
JK Files and Engineering Limited	100.00%	1,81,31,365	-	-
Raymond Limited and jointly held with nominees	-	-	100.00%	1,81,31,365

e) Rights, Preferences and Restrictions attached to each class of shares:-

Equity shares: The Company has one class of equity shares having a par value of Re. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Preference Shares :

Each shareholder of Cumulative Compulsory Convertible Preference (CCPS) is entitled to one vote per share only on resolutions placed before the Company which directly affect their rights attached to CCPS. The dividend proposed by the Board of Directors is subject to the approval of shareholders. The Company has an option to redeem the said shares at par. In the event of liquidation of the Company, the holders of CCPS will have priority over equity shares in payment of dividend and repayment of capital.

(All amounts are in Rs. Lakhs, unless stated otherwise)

f) Shareholding of Promoter as at March 31, 2022 :

Promoters	Number of Shares	% of Total Holding	% Change during the year
JK Files & Engineering Limited	1,81,31,365	100.00%	100%

Shareholding of Promoter as at March 31, 2021 :

Promoters	Number of Shares	% of Total Holding	% Change during the year
Raymond Ltd.	1,81,31,365	100.00%	0%

7B Other Equity

Particulars	Reserves and Surplus			Total
	Capital Reserve	Securities Premium	Retained Earnings	
Balance as at March 31, 2020	**-**	**1,070.98**	**(40.53)**	**1,030.45**
Profit for the year	-	-	(1.72)	(1.72)
Other Comprehensive Income for the year	-	-	-	-
Total Comprehensive Income for the year	-	-	(1.72)	(1.72)
Addition during the year	-	-	-	-
Balance as at March 31, 2021	**-**	**1,070.98**	**(42.25)**	**1,028.73**
Profit for the year	-	-	6,421.66	6,421.66
Other Comprehensive Income for the year	-	-	-	-
Total Comprehensive Income for the year	-	-	6,421.66	6,421.66
Dividend Paid	-	-	(6,400.37)	(6,400.37)
Addition during the year	(2,838.04)	-	-	(2,838.04)
Balance as at March 31, 2022	**(2,838.04)**	**1,070.98**	**(20.96)**	**(1,788.02)**

<u>Nature and Purpose of Reserves :</u>

Securities Premium :

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Capital Reserve :

Capital reserve is created on account of transfer of investment in subsidiary for consideration other than cash.

On October 31, 2021, Raymond Limited, the holding company, transferred by way of delivery, 100% equity share capital of the Company to JK Files & Engineering Limited at Nil consideration. Accordingly, effective October 31, 2021, the Company has become a wholly owned subsidiary of JK Files & Engineering Limited.

Subsequently, the Company transferred, by way of delivery, 89.07% of equity share capital of Ring Plus Aqua Limited ('RPAL'), the then subsidiary of the Company, at Nil consideration to JK Files & Engineering Limited. Accordingly, effective November 11, 2021, RPAL has become a direct subsidiary of JK Files & Engineering Limited.

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in Rs. Lakhs, unless stated otherwise)

8 Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables :		
Micro and Small enterprises	-	-
Amounts payable to related parties	-	-
Others	2.05	0.73
Total	**2.05**	**0.73**

Trade Payables Ageing :

Particularls	Unbilled dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	More than 1 year upto 2 years	More than 2 year upto 3 years	More than 3 years	
As at March 31, 2022	1.19	-	0.86	-	-	-	2.05
As at March 31, 2021	0.73	-	-	-	-	-	0.73

There are no disputed Trade Payables.

For information about Liquidity Risk and Market Risk refer note 15.
There is no amount outstanding to Micro, Small and Medium enterprises as at Balance Sheet date. Information regarding Micro, Small and Medium enterprises has been determined to the extent such parties were identified by the management.

9 Other current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Dues	0.11	0.04
Total	**0.11**	**0.04**

SCISSORS ENGINEERING PRODUCTS LIMITED

Notes to the Financial Statements for the year ended March 31, 2022

(All amounts are in Rs. Lakhs, unless stated otherwise)

10 Other Income

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Dividend income		
From subsidiary	6,425.00	-

11 Other expenses

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Legal and Professional Expenses*	3.34	1.72
Total	**3.34**	**1.72**

*** Includes Auditors' remuneration and expenses (including taxes)**

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
- Audit Fees	0.94	0.66
- Limited Review Fees	0.24	0.35
Total	**1.18**	**1.01**

12 Earnings per share

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Profit/(Loss) for the year	6,421.66	(1.72)
Weighted average number of equity shares outstanding (Face value of Rs. 10 per share)	1,81,31,365	1,81,02,762
Earnings Per Share (Rs.) - Basic & Diluted	35.42	(0.01)

13 Segment Information

The Company operates in a single business segment . Accordingly there are no reportable businesses or geographical segments as prescribed under Ind As 108 “Operating Segments”.

14 Deferred Tax

In view of the consistent losses in past years, the Company does not have future taxable profits. Accordingly, deferred tax assets has not been recognized on unabsorbed losses under the Income Tax Act, 1961.

15 Financial Risk Management

a) Credit risk

The Company has no debtors thus Company does not foresee any credit risk.

b) Liquidity Risk

The Company has no borrowings thus Company does not foresee any liquidity risk.

c) Market Risk

The Company has no foreign currency exposure and does not have hedge position in currency market, thus Company does foresee any market risk.

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in Rs. Lakhs, unless stated otherwise)

16 Capital Management

a) Risk Management

The Company has no debts and thus Company does not foresee any capital risk.

b) Dividend

The Company has declared interim dividend for the financial year 2021-22 of Rs. 35.30 each (face value Rs. 10 per share) amounting to Rs. 6,400.37 lakhs which was approved by the Board of Directors of Company in its meeting held on October 25, 2021.

17 There are no critical estimates involved in the preparation of financial statements.

18 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at March 31, 2022	As at March 31, 2021
Contingent Liabilities	-	-

19 Related parties disclosure as per Ind AS 24

A. Relationship

i Related parties where control exists, irrespective of whether transaction has occurred or not:

a. Ultimate Holding Company : Raymond Limited

b. Holding Company : JK Files & Engineering Limited (w.e.f. November 11, 2021)

ii Other related parties with whom transactions have taken place during the period:

Fellow Subsidiary Companies : Ring Plus Aqua Ltd. (w.e.f. November 11, 2021)

iii Other related parties :

Key Management Personnel :

- Srinivasan Ganapathy – Director
- Thomas Fernandes – Director
- Vijay Patil – Director

B. Transactions carried out during the year with related parties referred in A above:

Particulars	Ring Plus Aqua Limited	Raymond Limited	JK Files & Engineering Limited
Other Income :			
Receipt of Dividend	6,425.00 *(-)*	- *(-)*	- *(-)*
Investment :			
Sale of Investment (refer note 7b)	- *(-)*	- *(-)*	2,838.04 *(-)*
Finance :			
Issue of Shares	- *(-)*	- *(3.00)*	- *(-)*
Issue of Dividend	- *(-)*	6,400.37 *(-)*	- *(-)*

(Previous year figures are shown in brackets)

20 Additional regulatory information required by Schedule III :

(i) Details of benami property held

No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

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

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

(vi) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company

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.

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in Rs. Lakhs, unless stated otherwise)

21 Ratios :

Sr. No.	Ratios	Unit of measurement	As at March 31, 2022	As at March 31, 2021	Variance March 31, 2022 vs March 31, 2021	Remarks
1	Current Ratio	in times	9.04	4.18	116%	Current ratio is better due to increase in tax
2	Debt-Equity Ratio	in times	0.00	0.00	0%	The Company does not have any debt
3	Debt Service Coverage Ratio	in times	0.00	0.00	0%	The Company does not have any debt
4	Return on Equity Ratio	in percentages	448%	0%	100%	Return on Equity Ratio has increased due to
5	Inventory turnover ratio	in times	0.00	0.00	0%	There is no inventory.
6	Trade Receivables turnover ratio	in Days	0.00	0.00	0%	There is no Trade Receivables
7	Trade payables turnover ratio	in Days	0.00	0.00	0%	There is no Trade Payables
8	Net capital turnover ratio	in times	0.00	0.00	0%	There is no turnover in the Company
9	Net profit ratio	in percentages	0%	0%	0%	There is no turnover in the Company
10	Return on Capital employed	in percentages	25564%	0%	100%	The ratio increased due to Dividend Income
11	Return on investment	in percentages	448%	0%	100%	Investment in the Company does not bear any

Reasons for variance of more than 25% in above ratios :

1	Current Ratio	: Current ratio is better due to increase in tax deducted at source on Dividend Income.
2	Return on Equity Ratio	: Return on Equity Ratio has increased due to Dividend received in the current financial year.
3	Return on Capital employed	: The ratio increased due to Dividend Income.

Components of Ratio :

Sr. No.	Ratios	Numerator	Denominator	As at March 31, 2022		As at March 31, 2021	
				Numerator	Denominator	Numerator	Denominator
1	Current Ratio	Current Asset	Current Liabilities	19.52	2.16	3.22	0.77
2	Return on Equity Ratio	Net profit after tax	Average Equity	6,421.66	1,433.49	(1.72)	2,842.72
3	Return on Capital employed	Profit before interest and tax	Equity + Debts	6,421.66	25.12	(1.72)	2,841.87
4	Return on investment	Earings before interest and Tax	Average total Assets	6,421.66	1,434.96	(1.72)	2,842.11

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in Rs. Lakhs, unless stated otherwise)

22 **COVID-19**

The management has performed a assessment of the situation and believes that no adjustments are required in the financial statements as the Company does not have any business operation from its inception.

23 The Company is in the process of appointing company secretary in accordance with Section 203(4) of the Companies Act, 2013.

24 The Company has approved its financial statements in its Board Meeting dated May 13, 2022.

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

For and on behalf of the Board

Sd/-
Arunkumar Ramdas
Partner
Membership No. 112433

Sd/-
Srinivasan Ganapathy
Director
DIN:07379783

Sd/-
Vijay Patil
Director
DIN: 07173161

Place: Mumbai
Date: May 13, 2022

Sd/-
Sitesh Maheshwari
Chief Financial Officer

SILVER SPARK APPAREL LIMITED

ANNUAL REPORT 2021-22

BOARD OF DIRECTORS	:	SHRI HARISHKUMAR CHATTERJEE SHRI KRISHNAN ASHWATH NARAYAN SMT. RASHMI MUNDADA SHRI VISHAL BIST (*appointed w.e.f. 03.05.2021*) SHRI RAM BHATNAGAR (*resigned w.e.f. 03.05.2021*)
SECRETARIAL AUDITOR	:	MESSRS. ROBERT PAVREY & ASSOCIATES
STATUTORY AUDITORS	:	MESSRS. CHATURVEDI AND SHAH, CHARTERED ACCOUNTANTS
INTERNAL AUDITORS	:	MESSERS. ERNST & YOUNG LLP, CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	NEW HIND HOUSE, N. M. MARG, BALLARD ESTATE, MUMBAI – 400 001 MAHARASHTRA

SILVER SPARK APPAREL LIMITED
(CIN: U72900MH2000PLC127831)

DIRECTORS' REPORT

To
The Members of Silver Spark Apparel Limited,

Your Directors have pleasure in presenting their Twenty Second Annual Report on the Business and Operations of the Company and the accounts for the Financial Year ended March 31, 2022.

1. FINANCIAL SUMMARY / PERFORMANCE OF THE COMPANY

The company has continued to retain reputed overseas clientele for suits, jackets and trousers and has maintained a strong export order book contributing towards a strong sales growth performance in the Financial Year 2021-22. The Gross Revenue of the Company at Standalone level is Rs. 496.69 Crore (Previous Year: Rs. 367.37 Crore). Profit incurred for the period was Rs. 1.59 Crore (Previous Year: Loss Rs. 5.91 Crore). On a Consolidated level, the Gross Revenue of the Company is Rs. 624.05 Crore (Previous Year: Rs. 466.66 Crore). The Profit after tax expenditure was Rs. 17.88 Crore (Previous year Loss of Rs. 14.34 Crore).

2. DIVIDEND

In view of the loss at consolidated levels and in order to conserve resources, your Directors have not recommended any dividend for the FY 2021-22.

3. RESERVES

Your Company has not transferred any amount to the General Reserves of the Company.

4. SUBSIDIARY COMPANIES

Silver Spark Middle East FZE

This wholly-owned subsidiary of the Company is incorporated in Sharjah Airport Free Zone (SAIFZONE), Sharjah, U.A.E. This company is engaged in Investment, trading of Apparel and related products for Asia and US customers. The Gross Revenue of the company for FY 2022 stood at Rs. 119.46 Crore (Previous Year: Rs. 56.45 crore). The company registered a Profit of Rs. 2.71 crore (Previous Year: Loss Rs. 2.68 crore). During the year under review, the financial year of this subsidiary has been changed from January-December to April-March.

Silver Spark Apparel Ethiopia PLC

This company is based out of Ethiopia in Africa and is a wholly-owned subsidiary of Silver Spark Middle East FZE. The company is engaged in the manufacturing of formal suits, jackets, trousers and vest coats. The Gross Revenue of the company for FY 2022 stood at Rs. 46.52 crore (Previous Year: Rs. 67.74 crore). The company registered a Profit of Rs. 4.43 crore (Previous Year: Profit of Rs. 3.51 crore).

R&A Logistics, Inc.
The company recorded a Profit of USD 13,08,163 (equivalent to Rs. 9.74crore) [Previous Year: Loss of USD 10,16,786 (equivalent to Rs. 7.64 crore)] for the year ended March 31, 2022.

5. CONSOLIDATED ACCOUNTS

In accordance with Indian Accounting Standard (IND AS 110) – Consolidated Financial Statements, the Consolidated Accounts of the Company have been prepared. Pursuant to Section 129(3) of the Companies Act, 2013 read with Rules made thereunder, a statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures is given in Form AOC-1 and forms an integral part of this report.

6. AUDITORS

Statutory Audit

Messrs Chaturvedi & Shah, Chartered Accountants (ICAI Firm Registration Number 101720W), registered with the Institute of Chartered Accountants of India, were appointed as the Statutory Auditor of the Company for the period of five consecutive years at the Annual General Meeting (AGM) of the members held on June 01, 2017 to hold office from the conclusion of the 17th Annual General meeting of the company till the conclusion of the 22nd Annual General meeting at a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors.

Accordingly, Messrs Chaturvedi & Shah, Chartered Accountants will cease to be the Statutory Auditors of the Company effective from the conclusion of the ensuing AGM. The Board of Directors at their meeting held on May 13, 2022 have considered the re-appointment of Messrs Chaturvedi & Shah, Chartered Accountants as Statutory Auditors of the Company for a period of second term of five consecutive years from conclusion of the ensuing AGM. Proposal relating to their re-appointment along with requite details forms part of the Notice convening the 22nd AGM.

There is no audit qualification in the financial statements by the statutory auditors for the year under review.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company has appointed Robert Pavrey & Associates, a firm of Company Secretaries in Practice (C.P. No. 1848) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as "**Annexure A**" and forms an integral part of this Report.

There have been no qualification(s), reservation(s), or adverse remark(s) or disclaimer(s) made in the Secretarial Audit Report by the Secretarial Auditor for the financial year 2021-22.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new / revised standard operating procedures.

The Company has entrusted the internal and operational audit to Messrs. Ernst & Young LLP, a reputed firm of Chartered Accountants. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken.

8. SHARE CAPITAL

The paid-up Share Capital as on March 31, 2022 was Rs. 8.96 Crore. The Company has not issued any shares with differential voting rights nor granted stock options or sweat equity shares.

9. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Changes in Directors and Key Managerial Personnel

During the year under review, the Board of Directors at their meetings held on May 03, 2021 appointed Shri Vishal Bist as Additional Non- Executive Director and Shri Ram Bhatnagar resigned as a Non-Executive Director from the Company.

Pursuant to Section 149 of the Companies Act, 2013, Smt. Rashmi Mundada continues to be an Independent Woman Director of the Company.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, none of the Directors of the Company are eligible to retire by rotation.

During the year, 4 Board Meetings were convened and held viz May 03, 2021, July 27, 2021, October 26, 2021 and January 20, 2022.

The Board Meeting held and Attendance of Directors at the Meetings is given below:

Date of the Meeting	Name of Director				
	Shri K. A. Narayan	Smt. Rashmi Mundada	Shri Harishkumar Chatterjee	Shri Ram Bhatnagar*	Shri Vishal Bist**
03.05.2021	✓	✓	✓	✓	✓
27.07.2021	✓	✓	✓	NA	✓
26.10.2021	✓	✓	✓	NA	✓
20.01.2022	✓	✓	✓	NA	✓

*Shri Ram Bhatnagar resigned as a Director of Company w.e.f. May 03, 2021
**Shri Vishal Bist appointed as Director w.e.f. May 03, 2021

Declaration by Independent Directors and re-appointment
The Ministry of Corporate Affairs ("MCA") vide Notification Number G.S.R. 804(E) dated October 22, 2019 and effective from December 01, 2019 has introduced an amendment relating to inclusion of names of Independent Directors in the Data Bank maintained by Institute of Corporate Affairs and appearing for an online exam.

Ms. Rashmi Mundada, Independent Director has declared that she meets the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

COMMITTEE OF THE BOARD – CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors of the Company constituted the Corporate Social Responsibility (CSR) Committee and contributed an amount of Rs. 23 Lakh in pursuance of its CSR objectives. A report on CSR activities and the contents of Corporate Social Responsibility policy annexed as "**Annexure B**". The CSR policy is displayed on the webpage of the Company at http://www.raymond.in/.

The current composition of the Committee is as under:

a. Shri Harishkumar Chatterjee : Non-executive Director, Chairman
b. Shri Vishal Bist* : Non-executive Director, Member
c. Smt. Rashmi Mundada : Independent Director, Member

**Shri Vishal Bist appointed as member of the committee w.e.f. May 3, 2021*

During the year, a Meeting of CSR Committee was held on July 27, 2021 and March 16, 2022 and Attendance of Members at the Meetings is given below:

Date of the Meeting	Name of Director		
	Shri Harishkumar Chatterjee	Smt. Rashmi Mundada	Shri Vishal Bist**
27.07.2021	✓	✓	✓
16.03.2022	✓	✓	✓

12. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Pursuant to Section 177(9) of the Companies Act, 2013, your company has formulated the Vigil Mechanism / Whistle Blower policy to report genuine concerns. The policy is displayed on the webpage of the Company at http://www.raymond.in/.

13. RELATED PARTY TRANSACTIONS

All the transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. The Company has developed a Related Party Transactions framework and Standard Operating Procedures for purpose of identification and monitoring of such transactions.

14. RISK MANAGEMENT (DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY)

The Company is exposed to risks from market fluctuations of foreign exchange rates, interest rates, commodity prices, business risks, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the risks.

15. REPORTING OF FRAUDS

There was no instance of fraud during the year under review which required the Statutory Auditors to report to the Audit Committee and/or Board under section 143(12) of the Companies Act, 2013 and the Rules framed thereunder.

16. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
ii. the directors have selected such accounting policies and applied them consistently and have 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 loss of the Company for that period;
iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv. the directors have prepared the annual accounts on a going concern basis; and
v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and such systems are adequate and operating effectively.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed herewith as "**Annexure C**" to this Report.

18. ANNUAL RETURN

A copy of draft Annual Return for F.Y. 2021-22 has been placed on http://www.raymond.in/

19. PARTICULARS OF EMPLOYEES

The provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2022 are not applicable.

20. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l)of the Companies Act, 2013, there are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report except for the impact arising out of COVID-19, which is detailed below in point no. 21 of this Report.

21. IMPACT OF COVID-19

COVID-19 continued to impact the business activities of the Company during the year under review. The crisis is expected to ease with the advent of the vaccines and once the lockdown is lifted, the business is expected to gain momentum. The Company has assessed the impact of on business operations and has considered all relevant internal and external information available up to the date of approval of the financial statements. A detailed note on the impact of COVID-19 on the operations of the Company forms part of the Notes to the Financial Statements.

22. DISCLOSURE UNDER SEXUAL HARASSMENT ACT

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints and has an Internal Complaints Committee as required under the said Act. There were no complaints filed against any of the employees of the Company under this Act.

23. SIGNIFICANT MATERIAL ORDERS PASSED BY THE TRIBUNALS

During the year under review, there were no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

24. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

25. DISCLOSURES

No application has been made under the Insolvency and Bankruptcy Code. The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

26. ACKNOWLEDGEMENT

The Directors express their appreciation for the contribution made by employees at all levels but for whose hard work and support your Company's achievements would not have been possible. Your Directors also wish to thank customers, dealers, agents, suppliers and bankers for their support and faith in the Company.

For and on behalf of the Board of
Silver Spark Apparel Limited

Sd/-	Sd/-
K. A. Narayan	Harishkumar Chatterjee
Director	Director
DIN: 00950589	DIN: 03560685

May 13, 2022
Mumbai

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Silver Spark Apparel Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Silver Spark Apparel Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022("**Audit Period**") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of :

(i) The Companies Act, 2013 ('Act') and rules made thereunder; and
(ii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, there were no events/ actions in pursuance of:

(i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iii) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(iv) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
(v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(vi) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
(vii) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(viii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
(ix) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
(x) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

requiring compliance thereof by the Company during the Audit Period.

We report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

(i) Competition Act, 2002;
(ii) Consumer Protection Act, 1986; and
(iii) The Legal Metrology Act, 2009.

We further report that the Board of Directors of the Company is duly constituted with proper balance of non-executive directors and independent directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the respective meetings of the Board or Committee thereof.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the Audit Period, no events occurred which had a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations and guidelines.

For **ROBERT PAVREY& ASSOCIATES**
Company Secretaries

Place: Mumbai
Dated: April 29, 2022

ROBERT PAVREY
Proprietor
FCS 2928 CP. No. : 1848
UDIN:

This report is to be read with Annexure A which forms an integral part of this report.

Annexure A

To,
The Members
Silver Spark Apparel Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Whereever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **ROBERT PAVREY& ASSOCIATES**
Company Secretaries

Place: Mumbai
Dated: April 29, 2022

ROBERT PAVREY
Proprietor
FCS 2928 CP. No. : 1848
UDIN:

The Annual Report on CSR Activities

Brief outline of the Company's CSR Policy :

The CSR Policy was approved by the Board of Directors at its Meeting held on February 13, 2015 and has been uploaded on the Company's webpage. A gist of the programs that the Company can undertake under the CSR policy is mentioned below. The weblink is http://www.raymond.in/sites/default/files/CSR%20Policy.pdf.

1. The composition of the CSR Committee.

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Harishkumar Chatterjee	Non-Executive Director, Chairman	1	1
2	Smt Rashmi Mundada	Independent Director, Member	1	1
3	Shri Vishal Bist	Non-Executive Director, Member	1	1

2. Web-link where the Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: http://www.raymond.in/sites/default/files/CSR%20Policy.pdf
3. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): NA
4. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: NA

5. Average net profit of the company as per section 135(5): 11,05,66,000

6. (a) Two percent of average net profit of the company as per section 135(5): Rs. 23 Lakh
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
   (c) Amount required to be set off for the financial year, if any: NIL
   (d) Total CSR obligation for the financial year (6a+6b-6c): Rs. 23 Lakh

7. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
23 Lakh	NIL	NIL	NIL	NIL	NIL

(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
-	-	-	-	-	-	-	-	-	-	-	-	-

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

1	2	3	4	5		6	7	8	
Sl. No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act**	**Local area (Yes/No)**	**Location of the project**		**Amount spent for the project (in Rs.)**	**Mode of Implementation - Direct (Yes/No)**	**Mode of Implementation - Through Implementing Agency**	
				State	**District**			**Name**	**CSR Registration number**
1.	Acquire an Ambulance	Promoting health care including preventive health care	No	Madhya Pradesh	Chhindwara	10.74 lakh	No	Institute For Development of Youth, Women & Child	NA
2.	Smt. Sulochanadevi Singhania School Trust	Promoting Education	Yes	Maharashtra	Thane	12.26 Lakh	No	Smt. Sulochanadevi Singhania School Trust ("Singhania Trust")	CSR 00000006

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (7b+7c+7d+7e): Rs. 23 Lakh

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
i.	Two percent of average net profit of the company as per section 135(5)	23 Lakh
ii.	Total amount spent for the Financial Year	23 Lakh
iii.	Excess amount spent for the financial year [(ii)-(i)]	-
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

8. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1.	NIL	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing
1.	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NA

(Asset-wise details)

(a) Date of creation or acquisition of the capital asset(s)

(b) Amount of CSR spent for creation or acquisition of capital asset

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

Smt. Rashmi Mundada
Independent Director
DIN: 08086902

Shri Harishkumar Chatterjee
Chairman – CSR Committee
DIN: 03560685

CONTENTS OF CORPORATE SOCIAL RESPONSIBILITY POLICY

(Approved by the Board of Directors on March 20, 2015)

Our aim is to be one of the most respected Companies in India delivering superior and sustainable value to all our customers, business partners, shareholders, employees and host communities.

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

The Company's commitment to CSR projects and programs will be by investing resources into any of the following areas.

- ✓ Improving the quality of life in rural areas;
- ✓ Eradicating hunger, poverty and malnutrition;
- ✓ Promoting healthcare including preventive healthcare;
- ✓ Employment enhancing vocational Skills;
- ✓ Promotion of education including investment in technology in schools;
- ✓ Ensuring environmental sustainability including measures for reducing inequalities faced by socially and economically backward groups;
- ✓ Promoting sports including rural and Olympic sports;
- ✓ Contribution to funds for promoting technology;
- ✓ Investing in various rural development projects;
- ✓ Contributing to the Prime Minister's National Relief Fund or any other fund setup by the Central Government for development and relief; and
- ✓ Other areas approved by the CSR Committee that are covered in the CSR Rules as amended from time-to-time.

ANNEXURE C

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

(Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

A. CONSERVATION OF ENERGY

Electricity power Conservation initiatives:

a. 1500 Shop-floor Lights in the form of T5 & T8 are being replaced with respective LED Lights by which the lighting load has been reduced to 5%;
b. Sourcing of Renewable Energy (Solar Power) through open access electricity, PPA signed with Solar power Vendor for providing solar power for next 10 years (starting April 2018), converted 73 % KWH units annual consumption to renewable energy.

B. TECHNOLOGY ABSORPTION

The Company has indigenously developed hot Air seam sealing machine which is used in PPE cover all manufacturing.

C. The Company has not incurred any separate expenditure for Research and Development activities during the period under review.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

During FY2021-22, the foreign exchange earnings were Rs. 346.48 (Previous Year: 261.62 Crore). The Foreign Exchange outgo during FY2021-22 was Rs. 136.29 (Previous year: Rs. 105.14 Crore).

Form AOC-I
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries
(Information in respect of each subsidiary to be presented with amounts in Rs. Lakh)

Sr. No.	Particulars			
1	**Sr. No.**	**1**	**2**	**3**
2	Name of the subsidiary	Silver Spark Middle East FZE, Dubai	Silver Spark Apparel Ethiopia PLC	R & A Logistics, Inc.
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same reporting Period	Same reporting Period	Same reporting Period
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	United Arab Emirates Dirham (AED) AED/INR – (20.63)	Ethiopian Birr (BIRR) BIRR/INR – (1.48)	United States Dollar (USD) USD/INR – (75.81)
5	Share capital	3164.36	8330.88	1227.45
6	Reserves & surplus	55.91	(2220.11)	(989.43)
7	Total assets	8006.78	9019.61	5636.56
8	Total Liabilities	17295.31	2908.84	5398.33
9	Investments	12508.80	0	0
10	Turnover	11945.57	4720.57	24373.15
11	Profit before taxation	271.35	442.83	668.62
12	Provision for taxation	0	0	(305.37)
13	Profit after taxation	271.35	442.83	973.99
14	Proposed Dividend	0	0	0
15	% of shareholding	100	100	100.00

<u>Part "B": Associates and Joint Ventures</u>

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date	-	-	-
2. Shares of Associate/Joint Ventures held by the company on the year end	-	-	-
No.	-	-	-
Amount of Investment in Associates/Joint Venture	-	-	-
Extent of Holding %	-	-	-
3. Description of how there is significant influence	-	-	-
4. Reason why the associate/joint venture is not consolidated	-	-	-
5. Net Worth attributable to Shareholding as per latest audited Balance Sheet	-	-	-
6. Profit / Loss for the year	-	-	-
i. Considered in Consolidation	-	-	-
ii. Not Considered in Consolidation	-	-	-

For and on behalf of the Board of
SILVER SPARK APPAREL LIMITED

Sd/-	Sd/-
K.A. Narayan	Harishkumar Chatterjee
Director	Director
DIN: 00950589	DIN: 03560685

Mumbai
May 13, 2022

CHATURVEDI & SHAH LLP
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Silver Spark Apparel Limited

Report on the Audit of the Standalone financial statements

Opinion

We have audited the standalone financial statements of Silver Spark Apparel Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its Profit (Including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

Information Other than the Standalone financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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.

Responsibility of Management and Those Charged with Governance 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 a true and fair view of the financial position, financial performance, changes in equity 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 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

CHATURVEDI & SHAH LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

Auditor's Responsibilities for the Audit of the Standalone financial statements

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

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

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

- Obtain an understanding of internal 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

CHATURVEDI & SHAH LLP * MUMBAI * CHARTERED ACCOUNTANTS

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 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.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement 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 Companies (Indian Accounting Standards) Rules, 2015, as amended.

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

(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".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provide for any remuneration to its directors during the year.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note no. 35 to the standalone financial statements;

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022.

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 securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

ii. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (i) and (ii) above contain any material misstatement.

e. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Mhalsekar

Lalit R. Mhalsekar
Partner
Membership No.103418
UDIN: 22103418AJJNHP5260

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 13 May 2022

Annexure A to Independent Auditor's Report – March 31, 2022

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Silver Spark Apparel Limited** ('the Company') on the financial statements for the year ended March 31, 2022, we report the following:

i.

a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of Right of use assets .

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

b) As explained to us, Property, Plant & Equipment and Right of use assets were physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such physical verification.

c) According to the information and explanations given to us and the records examined by us in respect of immovable properties disclosed as Property, Plant & Equipment and right of use assets (other than properties where the company is the lessee and the lease agreements are duly executed in favors of the lessee) in the financial statements are held in the name of the Company.

d) According to information and explanations given to us and according to books of accounts and records examined by us, Company has not revalued its Property, Plant and Equipment, Right of Use assets and intangible assets during the year.

e) According to information & explanations and representation given to us by the management, no proceedings have been initiated or are pending against the Company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, reporting under Clause 3(i)(e) of the order is not applicable to the Company.

ii.

a) As explained to us and on the basis of the records examined by us, in our opinion, physical verification of the inventories have been conducted at reasonable intervals by the management and having regard to the size and nature of business of the Company and nature of its inventory, the coverage and procedures of such verification by the management is appropriate. As explained to us and on the basis of the records examined by us, no discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification of inventories when compared with books of accounts.

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b) The Company has a working capital limit in excess of Rs 5 crore sanctioned by banks and/or financial institutions based on the security of current assets during the year. As per the information and explanation given to us and examination of books of accounts and other records produced before us, in our opinion quarterly returns or statements filed by the Company with banks or financial institutions pursuant to terms of sanction letters for working capital limits secured by current assets are in agreement with the books of account of the Company for the respective periods, which were subject to audit.

iii. With respect to investments made in or any guarantee or security provided or any loans or advances in the nature of loans, secured or unsecured, granted during the year by the Company to companies, firms, Limited Liability Partnerships or any other parties:

a) As per the information and explanations given to us and books of accounts and records examined by us, during the year the Company has provided loans to Other Parties. The details of same are given below:-

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year - Others (including Employee Loans)			1015.85 Lakhs	
Balance outstanding as at balance sheet date - Subsidiary - Others(including Employee Loans)			3162.74 Lakhs 1010.47 Lakhs	

b) In our opinion and according to information and explanations given us and on the basis of our audit procedures, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not, prima facie, prejudicial to the Company's interest.

c) According to the books of accounts and records examined by us in respect of the loans and advances in the nature of loans, in respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.

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d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

e) In our opinion and according to the information and explanations given and books of accounts and records examined by us, the Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.

f) In our opinion and according to the information and explanations provided to us, the company has granted loans repayable on demand as per the details below

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loan - Repayable on demand (A) - Agreement does not specify any terms or period of repayment (B)	4172.74 Lakhs -	- -	4172.74 Lakhs -
Total (A+B)	-	-	-
Percentage of loans/advances in nature of loan to the total loans	100%	-	100%

iv. In our opinion and according to the information and explanations provided to us, the Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits from public and hence the directive issued by Reserve Bank of India and relevant provisions of sections 73 to 76 or any other relevant provisions of the Act and the companies (Acceptance of Deposits) rules, 2014 (as amended) , the rules framed there under shall not apply. Accordingly the clause (v) of paragraph 3 of the Order is not applicable to the Company.

vi. According to the information and explanations given to us, the Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

vii. In respect of Statutory Dues:

(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

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(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	95.82	2005-2008	Central Excise and Service Tax Apellate Tribunal
Customs Act, 1962	Custom Duty	178.74	2014-15	Directorate General of Foreign Trade

viii. According to the information and explanations given to us and representation given to us by the management, 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 (43 of 1961) during the year.

ix.

a) In our opinion and according to the information and explanations given and books of accounts and records examined by us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

b) In our opinion, and according to the information and explanations given to us, including confirmations received from banks/ financial institution and/or other lenders and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilized for long term purposes.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

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f) According to the information and explanations given to us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x.

a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

b) In our opinion and according to the information and explanations given to us and on the basis of our audit procedures, the Company has not issued optionally convertible debentures on private placement basis, also the Company has not made any preferential allotment of shares or fully or partly convertible debentures during the year and hence clause (x) (b) of paragraph 3 of the Order is not applicable to the Company.

xi.

a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

b) According to information and explanation given to us, No report under sub-section 12 of section 143 of the Act has been filed by us or by any other auditor 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 including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

xii. In our opinion, the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with related parties are in compliance with sections 177 and 188 of the Act where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standards (Ind-AS) 24, related party disclosures specified in Companies (Indian Accounting Standards) Rules, 2015 as prescribed under section 133 of the Act.

xiv.

(a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

(b) We have considered the reports issued by the Internal Auditors of the Company till date.

xv. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.

xvi. a) To the best of our knowledge and according to the information and explanations provided to us , the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.

c) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) Based on the information and explanations given to us and as represented by the management of the Company, the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

xvii. In our opinion, and according to the information and explanations provided to us, the Company has not incurred any cash loss in the current as well as the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management , we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

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xx. With respect to CSR contribution under section 135 of the Act:

(a) According to the information and explanations given to us and on the basis of our audit procedures, in respect of other than ongoing projects, there were no unspent amount that were required to be transferred to a Fund specified in Schedule VII in compliance with second proviso to sub-section 5 of section 135 of the Act.

(b) According to the information and explanations given to us and on the basis of our audit procedures, in respect of ongoing projects there were no unspent amount that were required to be transferred to special account in compliance with provision of sub section 6 of section 135 of the Act.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar.
Membership No.103418
UDIN: 22103418AJJNHP5260

CHATURVEDI & SHAH LLP
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Place: Mumbai
Date: 13 May 2022

Annexure B to Independent Auditor's Report – March 31, 2022 on the Standalone financial statements of Silver Spark Apparel Limited

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

We have audited the internal financial controls with reference to standalone financial statements of Silver Spark Apparel Limited ('the Company') as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone 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 (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 with reference to standalone financial statements 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") and the Standards on Auditing as specified 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 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 with reference to standalone financial statements 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that 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 standalone financial statements, whether due to fraud or error.

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Continuation sheet...

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 with reference to these standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to these standalone financial statements

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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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Opinion

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, 2022, 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 ICAI.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar
Partner
Membership No.103418
UDIN: 22103418AJJNHP5260

Place: Mumbai
Date: 13 May 2022

CHATURVEDI & SHAH LLP * CHARTERED ACCOUNTANTS * MUMBAI

CHATURVEDI & SHAH LLP
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Silver Spark Apparel Limited

Report on the Audit of the Consolidated financial statements

Opinion

We have audited the Consolidated financial statements of **Silver Spark Apparel Limited** ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including other Comprehensive income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, the consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with Standards on Auditing (SAs) prescribed 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements together with the independence requirements that are relevant to our audit of the financial statements as per the ICAI's Code of Ethics and the provisions of the Companies Act, 2013 and Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note No 45 of Financial Statements which states that the Company has considered the possible effects that may result from COVID-19 in the preparation of these financial statements. The Company believes that pandemic is unlikely to impact on the recoverability of the carrying value of its assets as at March 31, 2022

Our Opinion is Not Modified in Respect of Above Matter.

Key Audit Matters

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

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We have determined that there are no key audit matters to communicate in our report.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon
The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our 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.

Responsibility of Management and Those Charged with Governance for the Consolidated financial statements

The accompanying consolidated financial statements have been approved by the holding Company's Board of Directors. The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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Auditor's Responsibilities for the Audit of the Consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group, and its associates and joint ventures, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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Continuation sheet...

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated 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 Consolidated 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 Consolidated 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 Matters

We did not audit the financial statements and other financial information of two direct subsidiaries and one indirect subsidiary, whose financial statements reflect total assets of Rs. 18299.88 Lakhs as at 31st March, 2022, total revenues of Rs. 36922.78 Lakhs, total profit after tax of Rs. 1621.97 Lakhs, total comprehensive Income/ (loss) Rs. 770.74 Lakhs and net cash outflows of Rs.0.34 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 19 above, of companies included in the consolidated financial statements and covered under the Act we report that as the Companies (Auditor's Report) Order, 2020 is not applicable to the foreign companies and there are no qualifications or adverse remarks reported by those companies.

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As required by Section 143(3) of the Act, we report that based on our audit and on the consideration of the report (s) of the other auditor (s) on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Statement Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Accounts) Rules, 2015, as amended.

(e) On the basis of the written representations received from the directors of the Holding Company, its subsidiary Companies as on 31st March, 2022 and taken on record by the Board of Directors of the Holding Company incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2022 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 Holding Company and its Subsidiary Companies covered under the Act and operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

Based on our audit and on the consideration of the reports of other auditors and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its managerial personnel during the year and accordingly reporting in accordance with the requirements of section 197(16) of the Act is not required.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

a. The consolidated financial statements disclose impact of pending litigations on its consolidated financial position of the group as detailed in Note No. 35 to the consolidated financial statements;

CHATURVEDI & SHAH LLP * CHARTERED ACCOUNTANTS * MUMBAI

b. The Holding Company, its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2022;

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies during the year ended March 31, 2022.

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 securities premium or any other sources or kind of funds) by the Group to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries

ii. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Group from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (i) and (ii) above contain any material misstatement.

e. The Holding Company and its subsidiary companies have not declared or paid any dividend during the year ended 31 March 2022.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar
Partner
Membership No.103418
UDIN: 22103418AJLTKK4669

CHATURVEDI & SHAH LLP
MUMBAI
CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 13 May 2022

Annexure A to Independent Auditor's Report – March 31, 2022 on the Consolidated financial statements of Silver Spark Apparel Limited

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Silver Spark Apparel Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company, {its subsidiary companies) which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on internal control with reference to Consolidated financial statement 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial with reference to Consolidated financial statements 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") and the Standards on Auditing as specified 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 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 with reference to Consolidated financial statements 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 with reference to these Consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these Consolidated financial statements included obtaining an understanding of internal financial controls with reference to these Consolidated financial statements, assessing the risk that 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 Consolidated 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

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls with reference to these Consolidated financial statements

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

Inherent Limitations of Internal Financial Controls with reference to these Consolidated financial statements

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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, 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, 2022, 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 ICAI.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar
Partner
Membership No.103418
UDIN: 22103418AJLTKK4669

CHATURVEDI & SHAH LLP
MUMBAI
CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 13 May 2022

Silver Spark Apparel Limited

Standalone Balance Sheet as at 31st March 2022

(Rs in lakhs)

	Particulars	Note	Audited As at 31st March, 2022	Audited As at 31st March, 2021
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Property, Plant and Equipment	2A	12,258.98	13,271.50
	(b) Capital work - in - progress	2B	84.62	49.50
	(c) Right-of-use Asset	2C	485.19	109.12
	(d) Intangible assets	3	260.32	517.68
	(e) Non-Current Investments	4	4,442.69	4,442.69
	(f) Financial Assets			
	(ii) Others financial assets	5	583.70	549.15
	(h) Other non-Current Assets	6	10.27	17.10
	(i) Asset for Income tax- Net		252.52	427.23
2	**Current assets**			
	(a) Inventories	7	14,407.85	8,796.93
	(b) Financial Assets			
	(i) Trade Receivables	8	16,373.25	9,544.01
	(ii) Cash and cash equivalents	9	1,762.10	34.29
	(iii) Bank Balances other than Cash and Cash Equivalents	10	408.53	420.53
	(iv) Loans	11	4,173.21	6,051.96
	(v) Others financial asset	12	975.43	947.96
	(c) Other current assets	13	1,869.86	1,259.46
	TOTAL ASSETS		58,348.52	46,439.11
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Share capital			
	(i) Equity Share Capital	14A	896.43	896.43
	b) Other equity			
	(i) Retained earnings	14B	17,750.30	17,620.04
2	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	15	634.50	-
	(ia) Lease liabilities		203.65	57.91
	(b) Deferred Tax Liabilities (Net)	32	709.61	722.58
	(c) Other Non Current Liabilities	16	694.17	787.92
3	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	17	7,628.72	6,779.66
	(ii) Lease Liabilities		301.32	60.24
	(iii) Trade payables	18		
	(A) total outstanding dues of micro and small enterprise		195.59	121.92
	(B) total outstanding dues of creditors other than micro and small enterprise		22,338.28	14,089.63
	(iv) Other financial liabilities	19	5,222.51	4,053.42
	(b) Other current liabilities	20	416.51	193.52
	(c) Short term provisions	21	1,356.93	1,055.84
	TOTAL LIABILITIES		58,348.52	46,439.11
	Significant Accounting Policies	1		

The accompanying notes are an integral part of these financial statements

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar
Partner
Membership Number : 103418

Place: Mumbai
Date:13th May 2022

CHATURVEDI & SHAH LLP CHARTERED ACCOUNTANTS MUMBAI

For and on behalf of the Board of Directors

SILVER SPARK APPAREL LTD. Yelahanka New Town Bangalore-560064

Harishkumar Chatterjee
Director
DIN: 03560685

Krishnan Narayan
Director
DIN: 00950589

Silver Spark Apparel Limited

Standalone Statement of Profit & Loss for the Year ended 31st March 2022

(Rs in lakhs)

		Note	Audited Year ended 31st March, 2022	Audited Year ended 31st March, 2021
I	**Revenue from Operations**	22	49,669.42	36,737.05
	Other Income	23	1,557.73	1,453.42
	Total Income		**51,227.15**	**38,190.47**
II	**Expenses**			
	Cost of materials consumed	24	27,140.49	16,451.58
	Purchase of Stock in Trade	25	1,822.87	1,333.50
	Changes in inventories	26	(776.32)	1,492.90
	Employee benefits expense	27	11,741.25	10,125.83
	Finance costs	28	652.39	604.27
	Depreciation and amortization expense	29	1,593.16	1,448.46
	Other expenses :			
	(a) Manufacturing and Operating Costs	30	2,416.25	1,258.94
	(b) Other expenses	31	6,396.08	6,282.89
	Total expenses		**50,986.17**	**38,998.37**
III	**Profit / (loss) before exceptional items and tax (I-II)**		**240.98**	**(807.90)**
IV	**Tax expense**	32		
	Current tax		94.97	-
	Deferred tax charge/(credit)		(12.96)	(217.14)
	Utilization of deferred tax against loss		-	-
V	**Profit/(Loss) for the period (III-IV)**		**158.97**	**(590.76)**
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	(i) Remeasurements of net defined benefit plans	37	(38.37)	297.96
	(ii) Income tax charge / (credit) of above		9.66	(75.00)
	Other Comprehensive Income for the period (i-ii)		(28.71)	222.96
VII	**Total Comprehensive Income for the period (V+VI)**		**130.26**	**(367.80)**
VIII	**Earnings per equity share of Rs. 10 each :**			
	Basic	49	1.77	(6.59)
	Diluted		1.77	(6.59)
	Nominal Value per share (in Rs.)		10.00	10.00

The accompanying notes are integral part of these financial statements

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar
Partner
Membership Number : 103418

Place: Mumbai
Date:13th May 2022

For and on behalf of the Board of Directors

SILVER SPARK APPAREL LTD. Yelahanka New Town Bangalore-560064

Harishkumar Chatterjee
Director
DIN: 03560685

Krishnan Narayan
Director
DIN: 00950589

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

Silver Spark Apparel Limited

Statement of Cashflow for the year ended 31st March 2022

(Rs in lakhs)

	Year ended 31st March, 2022		Year ended 31st March, 2021	
A) Cash flow from Operating Activities				
Net Profit before tax as per Statement of Profit and Loss.		**240.98**		**(807.90)**
Add/(Less):				
(Profit)/Loss on sale of Investment	-		(724.82)	
(Profit)/Loss on sale of Fixed assets	113.73		98.03	
Interest Income	(560.95)		(364.13)	
Provision for doubtful debts	117.30		55.52	
Provision of doubtful assets	41.95		-	
Write off of Export Benefits receivable	-		1,571.92	
Provision for Interest subsidy receivable	-		92.24	
Provision for Export Benefits receivable	42.01		142.92	
Written off of Doubtful debts	30.86		-	
Credit balance written back	(219.09)		(203.85)	
Other Comprehensive Income	(38.37)		297.96	
Depreciation and amortisation	1,593.16		1448.46	
Finance Costs	652.39		604.27	
Gain Loss on Termination / Modification of Lease	-		(60.52)	
Net Fair Value (Gain) /Loss (on account of fair valuation of deposits)	0.10		(0.43)	
Financial guarantee income	(27.74)		(32.24)	
Government grant amortised	(68.71)	1,676.64	(67.36)	2,857.97
Operating Cash Profit Before Working Capital changes		**1,917.62**		**2,050.07**
Changes in working capital				
(Increase) / Decrease in Inventories	(5,710.92)		4001.78	
(Increase) / Decrease in Trade Receivables	(6,614.75)		2583.15	
(Increase) / Decrease in Loans	(11.25)		4.15	
(Increase) / Decrease in Other Financial Assets	15.59		196.54	
(Increase) / Decrease in Other Assets	(592.95)		958.62	
Increase / (Decrease) in Trade Payables	7,684.65		(958.21)	
Increase / (Decrease) in Other Financial Liabilities	1,293.38		205.13	
Increase / (Decrease) in Other Liabilities	148.52		(146.11)	
(Increase) / Decrease in deposits	0.00		(11.34)	
Increase / (Decrease) in Short Term Provisions	301.09	(3,486.64)	(132.81)	6,700.90
Less: Direct Taxes paid (Net)		79.74		(14.99)
Net Cash inflow/(outflow) from operating activities (A)		**(1,489.27)**		**8,735.99**
B) Cash flow arising from Investing Activities				
Inflow				
Sale of fixed assets	213.00		0.01	
Sale of Investments	-		1777.45	
Proceeds from Inter Corporate Deposit	1,500.00		1000.00	
Inter Corporate Deposit Repaid	3,000.00		-	
Interest income	673.06	5,386.06	1,326.86	3,104.32
Outflow				
Investment in share of a subsidiary	-		-	
Inter Corporate Deposit Given	(1,010.00)		(3,922.78)	
Inter Corporate Deposit Repaid	(2,500.00)		(2,466.33)	
Fixed Deposit with Bank	0.00		(407.02)	
Acquisition of fixed assets	(129.04)	(3,639.04)	(457.45)	(7,253.58)
Net Cash inflow/(outflow) from investing activities (B)		**1,747.02**		**(4,149.26)**
C) Cash flow from Financing Activities				
Inflow				
Proceeds from Long Term Borrowings	846.00		-	
Increase in Working Capital Loan / Short term loans from Banks	1,839.94	2,685.94	(3,871.65)	(3,871.65)
Outflow				
Repayment of Non Current Financial Borrowings	(202.38)		(80.62)	
Finance Costs	(653.46)		(559.84)	
Repayment of Lease Liabilities	(360.04)	(1,215.88)	(88.84)	(729.30)
Net cash inflow/(outflow) from Financing activities (C)		**1,470.06**		**(4,600.95)**
Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)		1,727.81		(14.22)
Add: Balance at the beginning of the year (Refer Note 9)		34.29		48.52
Cash and Cash equivalents at the close of the year (Refer Note 9)		**1,762.10**		**34.29**

CHATURVEDI & SHAH LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

SILVER SPARK APPAREL LTD. ★ Yelahanka New Town ★ Bangalore-560064

Statement of Significant Accounting Policies (Refer Note 1)
The accompanying notes are integral part of these financial statements
Notes:
1) The above Cashflow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS-7 on Statement of Cash Flows as referred to in Section 133 of the Companies Act, 2013.

2) Changes in liabilities arising from financing activities

Year ended 31st March, 2022	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow (Repayments)/ Additions	Closing Balance
Long-term external borrowings	202.38	846.00	(202.38)	846.00

Year ended 31st March, 2021	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow (Repayments)/ Additions	Closing Balance
Long-term external borrowings	283.00	-	(80.62)	202.38

Year ended 31st March, 2022	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow Repayments	Closing Balance
Interest accrued on long term external borrowings	1.68	68.10	(64.40)	5.38

Year ended 31st March, 2021	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow Repayments	Closing Balance
Interest accrued on long term external borrowings	2.59	36.19	(37.10)	1.68

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

For and on behalf of the Board of Directors

Lalit R. Mhalsekar
Partner
Membership Number : 10[illegible]

Place: Mumbai
Date:13th May 2022

Harishkumar Chatterjee
Director
DIN: 03560685

Krishnan Narayan
Director
DIN: 00950589

Silver Spark Apparel Limited
Statement of Changes in Equity

A . Equity share capital (Rs in Lakhs)

	Amount
As at 31 March, 2021	896.43
As at 31 March, 2022	896.43

Current Reporting Period- Year ended March 22 (Rs in lakhs)

	As at 31st March, 2022	
	Number of shares	Amount
Equity Shares Capital :		
Balance as at the beginning of the current reporting year	89,64,300	896.43
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	89,64,300	896.43
Changes in equity share capital during the current year	-	-
Balance at the end of the current reporting period	89,64,300	896.43

Previous Reporting Period- Year ended March 21

	As at 31st March, 2021	
	Number of shares	Amount
Equity Shares Capital :		
Balance as at the beginning of the current reporting year	89,64,300	896.43
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	89,64,300	896.43
Changes in equity share capital during the current year	-	-
Balance at the end of the current reporting period	89,64,300	896.43

B. Other Equity (Rs in lakhs)

	Reserves and Surplus			
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Total
Balance as at 31st March, 2020	527.57	3,803.56	13,656.70	17,987.84
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the Period	527.57	3,803.56	13,656.70	17,987.84
Profit for the year	-	-	(590.76)	(590.76)
Other Comprehensive Income for the year (Remeasurement of defined benefit plan)	-	-	222.96	222.96
Balance as at 31st March, 2021	527.57	3,803.56	13,288.90	17,620.04
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting Period	527.57	3,803.56	13,288.90	17,620.04
Profit for the year	-	-	158.97	158.97
Other Comprehensive Income for the year (Remeasurement of defined benefit plan)			(28.71)	(28.71)
Balance as at 31st March, 2022	527.57	3,803.56	13,419.16	17,750.30

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

For and on behalf of the Board of Directors

Lalit R. Mhalsekar
Partner
Membership Number: 103418

Harishkumar Chatterjee
Director
DIN: 03560685

Krishnan Narayan
Director
DIN: 00950589

Place: Mumbai
Date:13th May 2022

CHATURVEDI & SHAH LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

SILVER SPARK APPAREL LTD. ★ Yelahanka New Town ★ Bangalore-560064

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I. Background

Silver Spark Apparel Limited ('SSAL' or 'the Company') CIN 'U72900MH2000PLC127831' incorporated in India carries business of manufacturing and trading of Suit, Jacket, shirts, trousers etc. The company has its network of operations in local as well foreign market. Silver Spark Apparel Limited is 100% subsidiary of Raymond Limited.

II. Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS
These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting standards) Rules,2015 as ammended and other relevant provisions of the Act.

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.

(ii) Historical cost convention
The financial statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities that are measured at fair value;
2) defined benefit plans - plan assets measured at fair value;

(iii) Current / Non-current classification
All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts
All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of schedule III, unless otherwise stated.

(v) Recent Accounting Development / Pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.
On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

CHATURVEDI & SHAH LLP * MUMBAI * CHARTERED ACCOUNTANTS

SILVER SPARK APPAREL LTD. Yelahanka New Town Bangalore-560064

(c) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost of an item of PPE comprises of its purchase price including import duties and non refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and present value of estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company 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 the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on Factory Building, Plant & Machinery, Electrical Installations and Electrical Equipments and Computers are provided on Straight Line Method (SLM) and on other assets is provided on Written down Value Method (W.D.V), over the estimated useful life of assets.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery which based on an independent technical evaluation has been estimated as 24 years (on a single shift basis) and RFID as 5 years, which is different from that prescribed in Schedule II of the Act.

The residual values are not more than 5% of the original cost of the asset. The asset residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

In case of pre-owned assets, the useful life is estimated on a case to case basis.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(d) Intangible assets

Computer software

Computer software are stated at historical cost, less accumulated amortisation and impairments, if any.

Amortisation method and useful life

The Company amortizes computer software using the straight-line method over the period of 3 years.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(e) Lease

Company as a lessee

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been presented in the Balance Sheet as a part of Property, plant and equipment and lease payments have been classified as financing cash flows.

Company as a lessor
Lease income from operating leases where the company is lessor is recognised in income on straight line basis over the lease term.

(f) Cash and Cash Equivalents

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

(g) Inventories

Inventories of Raw Material, Work in Progress, Finished Goods and Stores & Spares are stated at 'Cost or Net realizable value whichever is lower'. Goods-in-transit are stated 'at cost'. Cost comprises all cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used is 'Weighted Average cost'. All the costs incurred on unfinished/finished jobs, but not invoiced and dispatched, under conversion contracts, are carried forward as "Accumulated Costs on Conversion Contracts" at cost or net realizable value whichever is lower. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on past experience of the company.

(h) Investments and other financial assets

(i) Classification
The company classifies its financial assets in the following measurement categories:

* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and

* those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement
At initial recognition, the company measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:
Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

* **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

* **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest revenue which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss and recognised in other income/expense. Interest income from these financial assets is included in other income using the effective interest rate method.

* **Fair value through profit and loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

Equity instruments:
The Company measures its investment in subsidiaries, jointventures and assocites at cost less immaprment if any. The company subsequently measures all equity investments other than above at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

(iii) Impairment of financial assets
The company assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Derecognition of Financial Assets
A financial asset is derecognized only when
1) The company has transferred the rights to receive cash flows from the financial asset; or
2) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.
Where the entity has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.
Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

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(v) Income recognition
Interest income
Interest income from debt instruments is recognised using the effective interest rate method.

Dividends
Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

(i) Impairment of non-financial assets
Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(j) Derivative financial instruments

Derivative financial instruments such as forward currency contracts, option contract and cross currency swap, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(k) Borrowings

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(l) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to statement of profit and loss.

(m) Financial Liabilities

(i) Financial Liabilities initial recognition and measurement
All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(ii) Derecognition of Financial Liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(n) Provisions and contingent liabilities

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

A contingent asset is disclosed, where an inflow of economic benefits is probable. The Company does not recognize a contingent asset unless the recovery is virtually certain.

(o) Revenue recognition

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.
As per IND AS 115 - Revenue from Contracts with Customers, entity shall recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service.
Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. The control of the products and services were transfer at a time, where in performance obligation and Control of goods or services transferred over a time.

Sale of goods
In case of domestic customer, generally performance obligation satisfied and transferred the control when goods are dispatched or delivery is handed over to transporter, in case of export customers, generally performance obligation satisfied and transferred the control, when goods are shipped onboard based on bill of lading.

Sales Return
The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

Revenue from services
Revenue from services is recognised in the accounting period in which the services are rendered.

Other operating revenue - Export incentives
Export Incentives under various schemes are accounted in the year of export.

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(p) Employee benefits

(i) Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised 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.

(ii) Other long-term employee benefit obligations
The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An acturail valution is obtained at the end of reproting period.The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

(iii) Post-employment obligations
The Company operates the following post-employment schemes:
(a) defined benefit plans such as gratuity; and
(b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The net interest cost is calculated by actuary 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 employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised 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 as calcualted by acturay are recognised immediately in the Statement of Profit and Loss as past service cost.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss Account as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Company.The interest payable by the Trust is notified by the Government. The Company has an obligation to make good the shortfall, if any.

Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b)when the company recognises costs for are structuring that is within the scope of Ind AS37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(q) Foreign currency transactions

Functional and presentation currency

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Silver Spark Apparel Limited's functional and presentation currency.

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(r) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determind using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defferd income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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 off set where the company 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.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

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Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

(s) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(u) Government Grant :

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions

Government grants relating to income are deferred and recognised in the Statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate and are deducted from the related expenses.

Government grants relating to the purchase of property, plant and equipment are included in non- current liabilities/current liabilities as deferred income and are credited to the Statement of profit and loss on a straight-line basis over the expected lives of the related assets and presented within other income.

(v) Accounting Policy- Cash Flow:

Cash flows are reported using the indirect method, whereby profit for the period 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 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. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

III. Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of asets and liabilities within the next financial year, are described below:

1. Useful life of Property, Plant and Equipment including intangible asset: Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2. Taxes: The Company provides for tax considering the applicable tax regulations and based on probable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized.

3. Defined benefit plans (gratuity benefits): The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

4. Export benefits receivables are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount or such assets may not be recoverable. If any such indications exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

5. Provisions and Contingent liabilities are reviewed at each balance sheet date and adjusted to reflect best estimate.

6. Estimate with respect to uncertainities related to Covid 19. (Refer Note 45)

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2A Property, Plant and Equipment

(Rs in lakhs)

	Freehold Land	Buildings	Leasehold Improvements	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Total	Capital Work In progress
Gross Carrying Amount :									
Balance as at 31st March, 2020	85.71	2,522.27	298.90	15,482.87	149.36	355.38	129.42	19,023.92	152.18
Additions	-	-	-	347.76	17.34	153.05	1.42	519.57	416.89
Additions from Dress Master Apparel Private Ltd. Under Business Purchase Agreement	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	11.14	-	-	1.60	112.74	519.57
Adjustment	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2021	85.71	2,522.27	298.90	15,719.49	166.70	508.43	129.24	19,430.75	49.50
Additions	-	24.24	-	58.49		2.41	9.29	94.43	129.55
Additions from Dress Master Apparel Private Ltd. Under Business Purchase Agreement	-	-	-	-	-	-	-	-	-
Disposals	-	-	-			214.70		214.70	94.43
Adjustment	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2022	85.71	2,546.51	298.90	15,777.98	166.70	296.15	138.53	19,310.48	84.62
Accumulated Depreciation									
Balance as at 31st March, 2020	-	536.01	265.34	3,855.35	88.09	189.09	97.35	5,031.24	-
Depreciation for the year	-	87.58	33.56	895.53	16.77	97.59	11.68	1,142.70	-
Additions from Dress Master Apparel Private Ltd. Under Business Purchase Agreement	-	-	-	-	-	-	-	-	
Deductions/Adjustments	-	-	-	13.75	-	-	0.95	14.70	-
Balance as at 31st March, 2021	-	623.60	298.90	4,737.13	104.85	286.68	108.08	6,159.24	-
Depreciation for the year	-	87.46	-	830.85	14.65	64.13	10.59	1,007.68	-
Additions from Dress Master Apparel Private Ltd. Under Business Purchase Agreement	-	-	-	-	-	-	-	-	
Deductions/Adjustments	-	-	-		-	115.43		115.43	-
Balance as at 31st March, 2022	-	711.06	298.90	5,567.99	119.51	235.37	118.67	7,051.49	-
Net Carrying Amount :									
Balance as at 31st March, 2022	85.71	1,835.45	(0.00)	10,210.00	47.20	60.77	19.86	12,258.98	84.62
Balance as at 31st March, 2021	85.71	1,898.67	(0.00)	10,982.36	61.85	221.76	21.15	13,271.50	49.50

Note :

(a) Refer to note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(b) Refer Note 33 For information on property, plant and equipment pledged as security by the Company.

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Notes to the Standalone Financial Statements

2B Capital- Work-in Progress

CWIP Ageing Schedule

(Rs in Lakhs)

CWIP(2021-22)	Amount in CWIP for a period of				
	Less than 1 year	1-2 year	2-3 years	more than 3 years	Total
CWIP	84.62				84.62 -
	84.62	-	-	-	**84.62**

CWIP(2020-21)	Amount in CWIP for a period of				
	year	1-2 year	2-3 years	years	Total
CWIP	49.50				- 49.50
	49.50	-	-	-	**49.50**

There is no time over due and cost over run

2C Right-of-use Asset

(Rs in lakhs)

	Buildings	Total
Gross Carrying Amount :		
Balance as at 31st March, 2020	**405.61**	**405.61**
Additions	-	-
Disposals	210.30	210.30
Adjustment		
Balance as at 31st March, 2021	**195.31**	**195.31**
Additions	704.19	704.19
Disposals	44.67	44.67
Balance as at 31st March, 2022	**854.83**	**854.83**
Accumulated Depreciation:		
Balance as at 31st March, 2020	**110.15**	**110.15**
Depreciation for the year	71.13	71.13
Eliminated on disposal of assets	95.09	95.09
Balance as at 31st March, 2021	**86.18**	**86.18**
Depreciation for the year	328.12	328.12
Deductions/Adjustments	44.66	44.66
Balance as at 31st March, 2022	**369.64**	**369.64**
Net Carrying Amount :		
Balance as at 31st March, 2022	**485.19**	**485.19**
Balance as at 31st March, 2021	**109.12**	**109.12**

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3 Intangible assets **(Rs in Lakhs)**

	Computer Software	Total	Intangible Asset under development
Gross Carrying Amount :			
Balance as at 31st March, 2020	**722.56**	**722.56**	-
Additions	133.33	133.33	133.33
Deductions/Adjustments		-	133.33
Balance as at 31st March, 2021	**855.89**	**855.89**	-
Additions		-	
Deductions/Adjustments		-	-
Balance as at 31st March, 2022	**855.89**	**855.89**	-
Accumulated Amortisation :			
Balance as at 31st March, 2020	**103.58**	**103.58**	-
Amortisation for the year	234.63	234.63	
Deductions/Adjustments			
Balance as at 31st March, 2021	**338.22**	**338.22**	-
Amortisation for the year	257.36	257.36	
Deductions/Adjustments			
Balance as at 31st March, 2022	**595.58**	**595.58**	-
Net Carrying Amount :			
Balance as at 31st March, 2022	**260.31**	**260.31**	-
Balance as at 31st March, 2021	**517.68**	**517.68**	-

(a) Other than internally generated
(b) Balance useful life as on 31st March 22 ranges from 6 months to 2.5 years .

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4 **Non Current Investments** **(Rs. in Lakhs)**

	As at 31st March, 2022		As at 31st March, 2021	
	No. of Units	Amount	No. of Units	Amount
Investment in subsidiaries				
Unquoted				
Equity Instruments at Cost				
Silver Spark Middle East FZE (Equity Shares of 150000 AED Each)	109	3,164.36	109	3,164.36
R & A Logistics, INC.	23,703	1,278.33	23,703	1,278.33
Total	**23,812**	**4,442.69**	**23,812**	**4,442.69**

5 **Other Financial assets** **(Rs. in Lakhs)**

	As at 31st March, 2022	As at 31st March, 2021
(Unsecured, considered good)		
Security Deposits	275.48	252.93
Margin money deposits with bank*	308.22	296.22
*(Held as lien by bank against bank guarantee.)		
Total	**583.70**	**549.15**

6 **Other Non-current assets** **(Rs. in Lakhs)**

	As at 31st March, 2022	As at 31st March, 2021
Capital advances	8.82	9.33
Capital advances, considered doubtful	0.33	-
Less: Allowance for bad and doubtful assets	(0.33)	-
Prepaid Expense - Deferred cost	1.45	7.77
Total	**10.27**	**17.10**

7 **Inventories** **(Rs. in Lakhs)**

	As at 31st March, 2022	As at 31st March, 2021
Raw Materials (Including Packing Material)	7,038.82	3,446.58
Work-in-progress	197.18	134.81
Finished goods	4,333.33	2,378.63
Stock in Trade	833.82	2,074.56
Goods in transit	1,906.94	694.73
Stores and Spares	97.76	67.62
Total	**14,407.85**	**8,796.93**

Refer Note 33 For information on assets pledged as security by the Company

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SILVER SPARK APPAREL LTD Yelahanka New Town Bangalore-560064

8 Trade receivables

(Rs. in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Trade Receivable(refer Note 46)	7,149.79	4,972.90
Receivable from Related parties (refer Note 38)	9,405.96	4,640.38
Less: Allowance for bad and doubtful debts	(182.50)	(69.27)
Total	16,373.25	9,544.01

Refer Note 33 For information on assets pledged as security by the Company

The movement in Allowance for bad and doubtful debts is as follows:

(Rs. in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Balance as at beginning of the year	69.27	13.75
Additions from Dress Master Apparel Private Ltd. Under Business Purchase Agreement	-	-
Allowance for bad and doubtful debts during the year	117.30	55.52
Less: Trade receivables written off during the year(previous year provision)	4.07	-
Balance as at the end of the year	182.50	69.27

Refer note 40 for information about credit risk and market risk of trade receivables.

2021-22	Not due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed							
Related Parties						-	-
Others						-	-
Less:- Provision	-	-	-	-	-	-	-
Net Disputed(a)	-	-	-	-	-	-	-
Secured disputed	-	-	-	-	-	-	-
Unsecured Disputed	-	-	-	-	-	-	-
Undisputed							
Related Parties	6,120.88	3,073.07	34.78	52.94	124.29	-	9,405.97
Others	4,658.17	2,260.34	23.71	206.78	0.10	0.69	7,149.79
Less:- Provision	-		-	(181.70)	(0.10)	(0.69)	(182.50)
Net Undisputed(b)	10,779.04	5,333.42	58.49	78.02	124.29	-	16,373.26
Secured Undisputed							
Unsecured Undisputed	10,779.04	5,333.42	58.49	78.02	124.29	-	16,373.26
TOTAL(a+b)	10,779.04	5,333.42	58.49	78.02	124.29	-	16,373.26
Total Secured	-	-	-	-	-	-	-
Total Unsecured	10,779.04	5,333.42	58.49	78.02	124.29	-	16,373.26

2020-21	Not due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed							
Related Parties	-	-	-	-	-	-	
Others	-	-	-	-	-	-	
Less:- Provision	-	-	-	-	-	-	
Net Disputed(a)	-	-	-	-	-	-	-
Secured disputed	-	-	-	-	-	-	-
Unsecured Disputed	-	-	-	-	-	-	-
Undisputed							
Related Parties	976.82	1,651.53	849.31	1,162.72	-	-	4,640.38
Others	4,013.58	630.60	317.76	3.59	6.68	0.69	4,972.90
Less:- Provision	-	-	(58.31)	(3.59)	(6.68)	(0.69)	(69.27)
Net Undisputed(b)	4,990.40	2,282.12	1,108.75	1,162.73	0.00	0.00	9,544.01
Secured Undisputed							
Unsecured Undisputed	4,990.40	2,282.12	1,108.75	1,162.73	0.00	0.00	9,544.01
TOTAL(a+b)	4,990.40	2,282.12	1,108.75	1,162.73	0.00	0.00	9,544.01
Total Secured	-	-	-	-	-	-	-
Total Unsecured	4,990.40	2,282.12	1,108.75	1,162.73	0.00	0.00	9,544.01

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Silver Spark Apparel Limited
Notes to the Standalone Financial Statements

9 Cash and cash equivalents (Rs. in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Cash in hand	4.95	5.95
Balances with Banks		
In current accounts(Refer Note 46)	1,757.15	28.34
Total	**1,762.10**	**34.29**

Refer Note 33 For information on assets pledged as security by the Company

10 Bank Balances other than Cash and Cash Equivalents (Rs. in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Fixed deposits with banks	408.53	420.53
Total	**408.53**	**420.53**

11 Loans (Rs. in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
(Unsecured, considered good)		
Loans to employees	0.47	0.97
Loans to related parties (Refer Note 38)	4,172.74	6,050.99
Total	**4,173.21**	**6,051.96**

Refer note 40 for information about credit risk and market risk for loans.

2021-22

Loan Given to Related Party during the year	Rs in Lakh	Rate of Interest	Terms
Raymond UCO Denim Private Limited	1000.00	8.50%	180 days
Raymond Global Consumer Trading Limited	10.00	8.50%	365 days

2020-21

Loan Given to Related Party during the year	Rs in Lakh	Rate of Interest	Terms
Silver Spark Middle East FZE	995.06	8.75%	Repayable within 12 months from date of availing the loan or on demand
Raymond Apparel Limited	3000.00	8.50%	270 days from date of availing the loan or on demand

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12 **Other Financial Assets** (Rs. in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Derivative financial instruments	89.72	-
Export benefits receivable	141.07	136.14
Interest receivable	83.63	203.35
Export benefits receivable, considered doubtful	184.93	142.92
Less: Allowance for bad and doubtful assets	(184.93)	(142.92)
Other Receivable from Related Party(Refer Note 38)	661.01	608.47
Interest Subsidy receivable, considered doubtful	92.24	92.24
Less: Allowance for bad and doubtful assets	(92.24)	(92.24)
Total	**975.43**	**947.96**

13 **Other current assets** (Rs. in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Advances to Suppliers(Refer Note 46)	337.22	289.96
Balances with government authorities, considered good	1,451.72	916.72
Prepaid Expense - Deferred cost	-	4.96
Prepaid expenses	50.45	27.34
Other advances	30.47	20.48
Advances to Suppliers, considered doubtful	36.13	-
Less: Allowance for bad and doubtful assets	(36.13)	-
Balances with government authorities, considered doubtful	27.54	22.05
Less: Allowance for bad and doubtful assets	(27.54)	(22.05)
Total	**1,869.86**	**1,259.46**

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14A Equity Share capital

(Rs. in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Authorised		
4,00,00,000 [31st March, 2021: 4,00,00,000] Equity Shares of Rs.10 each	4,000.00	4,000.00
1,000,000[31st March,2021 : 1,000,000] Preference Shares of Rs.100 each	1,000.00	1,000.00
Issued		
8,964,300 [31st March, 2021: 8,964,300] Equity Shares of Rs.10 each	896.43	896.43
Subscribed and fully paid up		
8,964,300 [31st March, 2021: 8,964,300] Equity Shares of Rs.10 each	896.43	896.43
Total	896.43	896.43

a) Reconciliation of number of shares

(Rs. in Lakhs)

	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	89,64,300	896.43	89,64,300	896.43
Add: Share Issued during the year	-	-	-	-
Add : Conversion of preference shares into equity share	-	-	-	-
Balance at the end of the year	**89,64,300**	**896.43**	**89,64,300**	**896.43**

Current Reporting Period- Year ended March 22

	As at 31st March, 2022	
	Number of shares	Amount
Equity Shares Capital :		
Balance as at the beginning of the current reporting year	89,64,300	896.43
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the period	89,64,300	896.43
Changes in equity share capital during the current year		
Balance at the end of the period	**89,64,300**	**896.43**

Previous Reporting Period- Year ended March 21

	As at 31st March, 2021	
	Number of shares	Amount
Equity Shares Capital:		
Balance as at the beginning of the current reporting year	89,64,300	896.43
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the period	89,64,300	896.43
Changes in equity share capital during the current year		
Balance at the end of the period	**89,64,300**	**896.43**

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b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shares held by Holding Company

	As at 31st March, 2022	As at 31st March, 2021
Equity Shares of Rs. 10 each held by: 8,964,300 Equity shares [March 31, 2021: 8,964,300 shares] held by Raymond Limited	89,64,300	89,64,300

d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31st March, 2022		As at 31st March, 2021	
	%	No. of Shares	%	No. of Shares
Equity shares held by Raymond Limited	100	89,64,300	100	89,64,300

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14B Other Equity

(Rs in lakhs)

	Reserves and Surplus			
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Total
Balance as at 31st March, 2020	527.57	3,803.56	13,656.70	17,987.84
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the Period	527.57	3,803.56	13,656.70	17,987.84
Profit for the year			(590.76)	(590.76)
Other Comprehensive Income for the year (Remeasurement of defined benefit plan)			222.96	222.96
Balance as at 31st March, 2021	527.57	3,803.56	13,288.90	17,620.04
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting Period	527.57	3,803.56	13,288.90	17,620.04
Profit for the year			158.97	158.97
Other Comprehensive Income for the year (Remeasurement of defined benefit plan)			(28.71)	(28.71)
Balance as at 31st March, 2022	527.57	3,803.56	13,419.16	17,750.30

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15 **Non Current Borrowings**

(Rs. in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Secured		
Term Loan From banks	634.50	-
	634.50	-

Nature of Security and terms of repayment for Long Term secured borrowings:

Nature of Security	Terms of Repayment
(i) Term loan amounting to Rs. Nil lakhs (Rs. 202.38 lakhs March 31,2021) which is grouped under Current Borrowings is secured by first and exclusive charge on the moveable assets acquired out of the loan	The loan was repaid on May 2021 . Rate of interest as at year end 9.45% (31st March,2021 :9.95% p.a.)
(ii) Term loan amounting to Rs. 846.00 lakhs (Rs. Nil lakhs March 31,2021) is secured by extension of second ranking charge over existing primary and collateral securities including mortgages created in favour of the Bank and security created over the hypothecated assets.	48 monthly installment after morotorium, payment starting from May 2022. Rate of interest as at year end 7.50% (31st March,2021 :Nil.)

Note: Instalment of loans falling due within next twelve months aggregating Rs. 211.50 lakhs (Rs. 202.38 lakhs March 31,2020) have been grouped under Current Borrowings. (Refer Note 17)

16 Other non current liabilities **(Rs. in Lakhs)**

	As at 31st March, 2022	As at 31st March, 2021
Government Grant relating to assets	650.42	716.43
Financial Guarantee liability	43.75	71.49
	694.17	**787.92**

Note :

1) Under the Government Scheme, the Company is entitled to subsidy, on its investment in the property plant and equipment, on fulfilment of the conditions stated in those Scheme. The subsidy being Government Grant is accounted as stated in the Accounting policy on Government Grant (Refer Note 1(2)(u)). The Government Grant shown above represents unamortised amount of the subsidy referred to above, with the corresponding adjustment to the carrying amount of property, plant and equipment.

2) Export Promotion Capital Goods (EPCG) scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant (Refer Note 1(2)(u)). The Government Grant shown above represents unamortised amount of the duty saved referred to above. Export obligation to be fulfilled subsequent to the reporting date, within the period allowed under the Scheme is disclosed in Note 34.

17 Current Borrowings **(Rs. in Lakhs)**

	As at 31st March, 2022	As at 31st March, 2021
Secured		
Loans repayable on demand from banks (Secured against first pari-passu charge on Stock, Receivables and Plant & Machinery)	7,417.22	5,577.28
Secured		
Term Loan From banks -Current maturities of long-term debt from Banks	211.50	202.38
Unsecured		
Loans from Related Party - JK Investor Bombay Limited	-	1,000.00
Total	**7,628.72**	**6,779.66**

The carrying amount of financial and non-financial assets as security for secured borrowings are disclosed in Note 33

18 Trade payables

(Rs. in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Trade payables*		
Amounts due to micro and small enterprise	195.59	121.92
Amounts due to related parties (Refer note 38)	14,540.12	10,177.83
Others (Refer note 46)	7,798.17	3,911.80
Total	22,533.87	14,211.55

*Includes Provision for Expenses

Refer note 40 for information about liquidity risk and market risk of trade payables

2021-22

	Not due	Less than 1 year	1- 2 year	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
Related Parties	3,430.24	9,239.84	1,025.11	486.19	358.73	14,540.12
MSME	70.39	123.15	2.05			195.59
Others	1,602.17	5,849.53	126.88	134.02	85.58	7,798.17
Net undisputed(b)	5,102.80	15,212.52	1,154.03	620.21	444.31	22,533.88
Total (a+b)	5,102.80	15,212.52	1,154.03	620.21	444.31	22,533.88

2020-21

	Not due	Less than 1 year	1- 2 year	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
Related Parties	1,605.86	4,788.66	3,285.76	497.55	-	10,177.83
MSME	24.88	93.61	3.43	-	-	121.92
Others	657.73	2,918.31	155.31	50.29	130.16	3,911.80
Net undisputed(b)	2,288.47	7,800.59	3,444.50	547.84	130.16	14,211.55
Total (a+b)	2,288.47	7,800.59	3,444.50	547.84	130.16	14,211.55

Note:

Dues to Small enterprise and micro enterprise
The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

	As at 31st March, 2022	As at 31st March, 2021
a) The principal amount remaining unpaid to any supplier at the end of the year	195.59	121.92
b) Interest due remaining unpaid to any supplier at the end of the year	23.10	5.28
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	28.38	5.28
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of amount payable to vendors as defined as "micro, Small & Medium Enterprise Act, 2006" is based on the information available with the company regarding the status of registration of such vendors under the said Act

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19 Other financial liabilities

(Rs. in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Interest accrued	15.54	69.40
Salary and Wages payable	3,682.26	3,154.97
Derivative financial instruments	-	11.13
Payable to related parties(Refer Note 38)	1,447.88	743.69
Capital Creditors	76.83	74.23
Total	**5,222.51**	**4,053.42**

20 Other current liabilities

(Rs. in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Advance from customers(Refer Note 45)	87.99	10.83
Statutory Dues	232.08	83.56
Government Grants Relating to Assets (Refer Note 16)	68.70	71.39
Financial Guarantee liability	27.74	27.74
Total	**416.51**	**193.52**

21 Short Term Provisions

(Rs. in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Provision for Gratuity (Refer Note 37)	927.89	656.76
Provision for Leave Entitlement	429.04	399.08
Total	**1,356.93**	**1,055.84**

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22 Revenue from Operations

(Rs. in Lakhs)

	Year ended 31st March, 2022	Year ended 31st March, 2021
Sale of Products		
(Manufactured & Traded products)	44,535.33	33,101.55
Sales of Services		
(i) Job Work	4,480.48	3,010.23
Other operating revenue		
(i) Export Incentives, etc	620.37	613.63
(ii) Process waste sale	33.24	11.64
Total	49,669.42	36,737.05

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price :

	Year ended 31st March, 2022	Year ended 31st March, 2021
Contract Price	49,669.42	36,737.05
Less :		
Performance linked incentives / Discounts	-	-
Total	49,669.42	36,737.05

23 Other income

(Rs. in Lakhs)

	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest income	560.95	364.13
Profit on sale of Investment*	-	724.82
Exchange Fluctuation (net)	560.37	-
Goverment Grant relating to assets	68.71	67.36
Other non-operating income	34.88	32.74
Profit on sale of Fixed Assets	113.73	
Gain Loss on Termination / Modification of Lease	-	60.52
Excess Provision written back	219.09	203.85
Total	1,557.73	1,453.42

*During the Previous year, pursuant to Share Purchase Agreement of the Company dated 2nd December , 2020 , the Company has divested its entire stake in its wholly owned subsidiary Dress Master Apparel Private Limited(DMAPL).Profit on sale of investment is profit from sale of entire stake of DMAPL.

24 Cost of materials consumed

(Rs. in Lakhs)

	Year ended 31st March, 2022	Year ended 31st March, 2021
Raw materials consumed		
Opening Stock	3,446.58	6,301.80
Purchases	30,732.73	13,596.36
Less : Closing Stock	7,038.82	3,446.58
# Includes cost of packing material consumed during the year		
Total	27,140.49	16,451.58

25 Purchase of Stock in Trade

(Rs. in Lakhs)

	Year ended 31st March, 2022	Year ended 31st March, 2021
Purchase of Traded Goods	1,822.87	1,333.50
Total	1,822.87	1,333.50

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26 Changes in inventories of finished goods (including stock-in-trade) ,work-in-progress and accumulated cost of conversion :

(Rs. in Lakhs)

	Year ended 31st March, 2022	Year ended 31st March, 2021
Opening inventories		
Finished goods	2,378.63	4,477.58
Stock-in-trade	2,074.56	1,366.72
Work-in-progress	134.81	236.61
Accumulated cost of conversion contracts		
Completed	-	-
In Process	-	-
	4,588.00	**6,080.91**
Closing inventories		
Finished goods	4,333.33	2,378.63
Stock-in-trade	833.82	2,074.56
Work-in-progress	197.18	134.81
Accumulated cost of conversion contracts		
Completed	-	-
In Process	-	-
	5,364.32	**4,588.00**
Total	**(776.32)**	**1,492.91**

27 Employee benefits expense

(Rs. in Lakhs)

	Year ended 31st March, 2022	Year ended 31st March, 2021
Salaries and wages	10,089.29	8,785.12
Contribution to provident funds and other funds	763.32	656.11
Defined benefit plan expense (Refer note 37)	244.85	358.94
Workmen and Staff welfare expenses	643.79	325.66
Total	**11,741.25**	**10,125.83**

28 Finance costs

(Rs. in Lakhs)

	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest expense (Net of interest subsidy under TUF Scheme of Rs.Nil Lakhs (Previous year Rs.Nil Lakhs))	599.60	591.90
Interest on lease liability	52.79	12.37
Total	**652.39**	**604.27**

29 Depreciation and amortization expense

(Rs. in Lakhs)

	Year ended 31st March, 2022	Year ended 31st March, 2021
Depreciation on Property, Plant and Equipment (Refer note 2A)	1,007.68	1,142.70
Amortization on Intangible assets (Refer note 3)	257.36	234.63
Depreciation on Right of use Assets(Refer note 2C)	328.12	71.13
Total	**1,593.16**	**1,448.46**

30 Manufacturing and Operating Costs

(Rs. in Lakhs)

	Year ended 31st March, 2022	Year ended 31st March, 2021
Consumption of stores and spare parts	1,046.64	549.59
Power and fuel	439.27	330.98
Job work charges	204.89	32.51
Repairs to buildings	195.82	93.67
Repairs to machinery	186.06	67.07
Other Manufacturing and Operating expenses	343.57	185.12
Total	**2,416.25**	**1,258.94**

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31 Other expenses **(Rs. in Lakhs)**

		Year ended 31st March, 2022	Year ended 31st March, 2021
Rent (Refer note 36)		43.87	279.51
Insurance		121.15	150.88
Exchange Fluctuation (net)		-	248.17
Rates and Taxes		146.82	56.01
Commission to selling agents		900.74	945.84
Carriage & Freight,etc.		1,894.26	704.88
Legal and Professional Expenses		256.51	311.32
Director Fees		1.00	2.50
Security Charges		248.34	274.60
Loss on sale of assets		-	98.03
IT outsourcing Cost		45.14	51.01
Expenditure toward Corporate Social Responsibility (CSR) activities		23.01	135.00
Export Benefits receivable Written Off		-	1,789.20
Less: Previous year MEIS Provision written back			(217.28)
Provision for Export benefits receivable		42.01	142.92
Provision for Interest subsidy receivable		-	92.24
Provision for doubtful debts		117.30	55.52
Provision for doubtful assets		41.95	
Provision for Service Tax Receivable		-	-
Writeoff of doubtful debts	34.93		
Less: Previous years Provision written back	4.07	30.86	-
Corporate facility charges		620.00	455.67
Miscellaneous Expenses		1,863.12	706.87
Total		**6,396.08**	**6,282.89**

A Details of Payments to Auditor (Included in Legal and Professional expenses) **(Rs. in Lakhs)**

	Year ended 31st March, 2022	Year ended 31st March, 2021
Audit Fees	25.00	20.00
Other Services	-	2.50
Reimbursement Expenses	-	-
Total	**25.00**	**22.50**

B Corporate social resposibility expenditure **(Rs. in Lakhs)**

	Year ended 31st March, 2022	Year ended 31st March, 2021
a) Gross amount required to be spent by the Company during the year	23.00	51.00
b) Amount of expenditure incurred on		
(i) Construction/acquisition of any asset		
(ii) On purposes other than (i) above	23.01	135.00
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	82.00
e) Reason for Shortfall	NA	Covid impact
f) Nature of CSR activities	Education,Health	Education,Health, Covid
g) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard :Contribution to Smt. Sulochanadevi Singhania School Trust in relation to CSR expenditure	12.26	53.00

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

SILVER SPARK APPAREL LTD. Yelahanka New Town Bangalore-560064

Silver Spark Apparel Limited
Notes to the Standalone Financial Statements

32 Income Tax

Tax expense recognised in the Statement of Profit and Loss

(Rs. in Lakhs)

	Year ended 31st March,2022	Year ended 31st March,2021
Current tax		
Current year	94.97	0.00
Total current tax	94.97	-
Deferred tax		
Origination and reversal of temporary difference.	(12.96)	(217.14)
Change in tax rates	-	-
Total deferred income tax expense/(credit)	(12.96)	(217.14)
Total income tax expense/(credit)	82.01	(217.14)

A reconciliation between the statutory income tax rate applicable to the Company and the effective tax rate

(Rs. in Lakhs)

Reconciliation of effective tax rate	Year ended 31st March,2022	Year ended 31st March,2021
Profit before Tax	240.98	(807.90)
Enacted income tax rate in India	25.17%	25.17%
Income tax expenses as per enacted rate	60.65	(203.35)
Differences due to:		
Income not considered for tax purpose	(18.30)	(65.98)
Expenses not deductable for tax purpose	28.89	52.19
Reversal of excess asset created on tax loss	10.77	-
Others		
Total	82.01	(217.14)
Effective Tax rate	34.03	26.88

The movement in deferred tax assets and liabilities during the year ended March 31, 2021 and March 31, 2022:

(Rs. in Lakhs)

Movement during the year ended March 31, 2021 and March 31, 2022	As at 1st April, 2020	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	Credit/(charge) direct to equity	As at 31st March, 2021	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2022
Deferred tax assets/(liabilities)								
Provision for post retirement benefits and other employee benefits	484.97	(10.85)	-	-	474.12	7.54	-	481.66
Provision for doubtful debts and advances	68.40	2.50	-	-	70.90	49.63	-	120.53
Expenses allowable for tax purposes when paid	103.78	80.11	-	-	183.89	68.24	-	252.13
Depreciation	(1,485.16)	29.68	-	-	(1,455.48)	5.40	-	(1,450.08)
Carried Forward losses	-	121.16	-	-	121.16	(121.16)	-	-
Temporary difference in Leases	(23.98)	(30.13)	-		(54.11)	3.30	-	(50.79)
Loss on sale of Fixed assets		24.67			24.67	-	-	24.67
Fair value gains/losses	(12.73)	-	(75.00)		(87.73)	-	-	(87.73)
	-	-			-	-	-	-
Total	(864.72)	217.14	(75.00)	-	(722.58)	12.96	-	(709.61)

SILVER SPARK APPAREL LTD. Yelahanka New Town Bangalore-560064

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

33 **Assets Pledged as security**

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(Rs. in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Current Assets		
Cash and cash equivalents	1,762.10	34.29
Receivables	16,373.25	9,544.01
Inventories	14,407.85	8,796.93
Total	**32,543.20**	**18,375.23**
Movable Assets		
Plant & equipment	10,210.00	10,982.36
Furniture & fixtures	47.20	61.85
Vehicles	60.77	221.76
Office equipment	19.86	21.15
Total	**10,337.83**	**11,287.12**
Total assets pledged as security	**42,881.03**	**29,662.35**

34 **Commitments**

(Rs. in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
(a) Capital Commitments		
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:		
Property, plant and equipment	45.17	45.06
Less: Capital advances	8.82	9.33
Net Capital commitments	**36.35**	**35.73**
(b) Other Commitments		
Guarantees given by the Company's Bankers / Bonds / Letter of Undertaking executed by the Company to Government Authorities for purchase under concessional duty / exemption scheme in respect of (net of obligation fulfilled):		
(i) Capital Goods	714.73	754.31
(ii) Raw Materials	24,266.59	11,519.04
Total Other Commitments	**24,981.32**	**12,273.35**
Total Commitments	**25,017.67**	**12,309.08**

35 **Contingent liabilities and Contingent Assets (to the extent not provided for)**

(Rs. in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Contingent Liabilities		
(a) Claims against the Company not acknowledged as debts :-		
ESIC	8.36	8.36
Excise Matters	95.82	95.82
Income Tax =	21.95	66.73
Custom Duty	198.00	198.00
(b) Corporate guarantee: on account of to the bankers on behalf of subsidiaries for facilities availed by them (amount outstanding at close of the year) *	7,426.51	9,794.42
Total	**7,750.64**	**10,163.33**

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ applicable accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

Future Cash Flows in respect of above are determinable only on receipt of judgements/decision pending with various authorities/forum

= The income tax authorities carried out search and seizure operations on the premises of the Company in the financial year 2011-12. On the basis of notice received under section 153 A of the IT Act, 1961, the Company had submitted returns of income and also provided the necessary details / informations.
The company has filed appeal with ITAT for Assessment Year 2009-10 to 2014-15, for the demand of disallowances of depreciation and related expenses to the extent of Rs. 13.73 lakhs and company has filed appeal with CIT for Assessment Year 2017-18 of Rs. 8.22 Lakhs

* As per requirements of Ind AS 109, the company has recognised financial guarantee liability of Rs. 193.80 lakhs on account of fair valuation of corporate guarantee.
The Company did not have any contingent assets as at the year end.

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SILVER SPARK APPAREL LTD. Yelahanka New Town Bangalore-560064

Silver Spark Apparel Limited
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36 Lease

(Rs. in Lakhs)

1 The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	2021-22	2020-21
Short-term leases	72.36	265.48
Leases of low value assets	-	-
Depreciation expense of right-of-use assets	328.12	71.13
Interest expense on lease liabilities	52.79	12.37
Total	**453.27**	**348.98**

2 Additional profit or loss and cash flow information

Particulars	2021-22	2020-21
Total cash outflow in respect of leases in the year	360.04	88.84

3

Carrying amounts of lease liabilities and the movements during the year:	2021-22	2020-21
Opening Balance	118.15	359.88
Additions	694.07	153.83
Deletions	-	(319.09)
Accretion of interest	52.79	12.37
Payments	(360.04)	(88.84)
Closing Balance	504.97	118.15
Current	301.32	60.24
Non-current	203.65	57.91

4 The discounted maturity analysis of lease liabilities at 31 March 2022 is as follows:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Lease payments	Finance Charge	Lease payments	Finance Charge
Within 1 year	330.18	28.86	186.21	7.22
1-2years	201.39	9.00	74.03	2.42
2-3years	11.50	0.25	-	-
3-4years	-	-	-	-
4-5years	-	-	-	-
5-10years	-	-	-	-
10-25years	-	-	-	-
Over 25years	-	-	-	-
Total	543.07	38.11	260.24	9.64

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Notes to the Standalone Financial Statements

37 **Post retirement benefit plans**
As per Actuarial Valuation as on 31st March, 2022 and 31st March, 2021 and recognised in the financial statements in respect of Employee Benefit Schemes (Gratuity):

A. **Defined contribution plan:**

The Company has defined contribution plan. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual or constructive obligation. The expense recognised during the year towards defined contribution plan is Rs.763.32 Lakhs (31st March 2021: Rs.656.11 Lakhs).

B. **Balance Sheet**

(Rs. in Lakhs)

	Defined benefit plans	
	As at 31st March, 2022	As at 31st March, 2021
Present value of plan liabilities	1,041.03	926.52
Fair value of plan assets	113.15	269.76
Plan liability net of plan assets	**927.88**	**656.76**

C. **Movements in plan assets and plan liabilities**

(Rs. in Lakhs)

	Year ended 31st March, 2022			Year ended 31st March, 2021		
	Plan Assets	Plan liabilities	Total	Plan Assets	Plan liabilities	Total
As at 1st April	269.76	926.52	(656.76)	443.45	1,079.91	(636.46)
Current service cost	-	202.22	(202.22)	-	317.16	(317.16)
Return on plan assets excluding amounts included in net	(3.52)	-	(3.52)	(10.50)	-	(10.50)
Difference in fair value of plan assets	-	-	-	-	-	-
Interest cost	17.51	60.13	(42.62)	29.09	70.87	(41.78)
Actuarial (gain)/loss arising from changes in demographic assumptions		0.14	(0.14)	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	(30.37)	30.37	-	(53.61)	(53.61)
Actuarial (gain)/loss arising from experience adjustments	-	65.08	(65.08)	-	(254.84)	(254.84)
Employer contributions	-		-	5.00		5.00
Transferred In/Acquisitions		-	-		-	-
Benefit paid directly by the employer	-	(12.09)	12.09	-	(35.69)	35.69
Benefit payments	(170.60)	(170.60)	-	(197.28)	(197.27)	(0.01)
As at 31st March	**113.15**	**1,041.03**	**(927.74)**	**269.76**	**926.52**	**(656.76)**

The weighted average duration of the defined benefit plans is 10 years (2020-21 : 10 Years)
The expected contribution to the funded plans in financial year 2022-23 : 688.27 Lacs (2021-22 : 481.380 Lacs)

D. **Statement of Profit and Loss**

(Rs. in Lakhs)

	Year ended 31st March, 2022	Year ended 31st March, 2021
Employee Benefit Expenses:		
Current service cost	202.22	317.16
Total	**202.22**	**317.16**
Finance cost/(income)	42.62	41.78
Net impact on the Profit / (Loss) before tax	**244.84**	**358.94**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	(3.52)	(10.50)
Actuarial (gain)/loss arising from changes in demographic assumptions	(0.14)	-
Actuarial gains/(losses) arising from changes in financial assumptions	30.37	(5.42)
Experience gains/(losses) arising on pension plan and other benefit plan liabilities	(65.08)	313.88
Net impact on the Other Comprehensive Income before tax	**(38.37)**	**297.96**

E. Assets

(Rs. in Lakhs)

	Defined benefit plans	
	As at 31st March, 2022	As at 31st March, 2021
Unquoted		
Insurer managed funds	113.15	269.76
Total	**113.15**	**269.76**

F. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date

The significant actuarial assumptions were as follows:

(Rs. in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Financial Assumptions		
Discount rate	6.84%	6.49%
Salary Escalation Rate	3% - 7.50%	0% - 7.50%

G. Sensitivity

(Rs. in Lakhs)

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:	Year ended 31st March, 2022			Year ended 31st March, 2021		
	Change in assumption	Increase in assumption by 1%	Decrease in assumption by 1%	Change in assumption	Increase in assumption by 1%	Decrease in assumption by 1%
Discount rate	1%	(78.82)	91.10	1%	(72.36)	84.05
Salary Escalation Rate	1%	87.55	(78.14)	1%	82.19	(64.85)
Attrition Rate	1%	(9.77)	10.42	1%	(10.34)	11.25

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

H. The defined benefit obligations shall mature after year end 31st March, 2022 as follows:

(Rs. in Lakhs)

Year ending 31 March, 2022	Defined benefit obligation	
	As at 31st March, 2022	As at 31st March, 2021
1st following year	73.41	64.68
2nd following year	80.58	68.49
3rd following year	82.92	75.70
4th following year	96.83	76.24
5th following year	89.80	86.50
Thereafter	428.92	367.20

CHATURVEDI & SHAH LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

SILVER SPARK APPAREL LTD Yelahanka New Town ★ Bangalore-560064 ★

38 Related Party Disclosures as per Ind As-24

1. Relationship

a) Holding Company
Raymond Limited.

b) Wholly owned Subsidiary Companies :
Dress Master Apparel Private Limited - India(ceased to be subsidiary wef 2nd December 2020)
Silver Spark Middle East (FZE) - The United Arab Emirates
Silver Spark Apparel Ethiopia PLC - Ethiopia (Step down Subsidiary)
R & A Logistics, INC (w.e.f. 31st August, 2018) - The United States of America

c) Fellow subsidiary Companies with whom transactions have taken place during the year :
Raymond Apparel Limited
Celebrations Apparel Limited
Everblue Apparel Limited
Raymond (Europe) Limited
Raymond Luxury Cottons Limited

d) Key Management Personnel and their enterprises where transactions have taken place:
Avani Agricultural Farms Private Limited(till 08.02.2021)
Shri Gautam Hari Singhania(resigned wef 08.02.2021)
Shri Vipin Agarwal(resigned wef 16.10.2020)
Shri Harishkumar Hariprasad Chatterjee(wef 12.09.2020)
Shri Krishnan Ashwath Narayan(wef 08.02.2021)
Shri Ram Krishna Bhatnagar (resigned w.e.f. 03.05.2021)
Smt. Rashmi Mundada
Shri Vishal Bist (w.e.f. 03.05.2021)

e) Joint Venture of holding company with whom transactions have taken place during the year :
Raymond UCO Denim Private Limited

f) Associate of holding company with whom transactions have taken place during the year :
Ray Global Consumer Trading Limited
JK Investo Trade(India) Limited

g) Other Significant influences with whom transactions have taken place during the year :
JK Investor (Bombay) Limited

h) Trust
Silver Spark Apparel Limited Employees Gratuity Fund
Smt. Sulochanadevi Singhania School Trust

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2. Transactions carried out with related parties referred in 1 above, in ordinary course of business:

(Rs. In Lakhs)

Nature of Transactions	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above	Referred in 1 (d) above	Referred in 1 (e) above	Referred in 1 (f) above	Referred in 1 (g) above	Referred in 1 (h) above
Income								
Job Work charges								
Raymond Limited	392.92 (222.40)							
R & A Logistics, INC		3376.34 (1949.11)						
Raymond (Europe) Limited			225.24 (475.82)					
Sales								
Raymond Limited	0.52 -							
Celebrations Apparel Limited			- (14.54)					
Raymond (Europe) Limited			6341.12 (1886.67)					
Raymond Apparel Limited			1371.66 (968.48)					
R & A Logistics, INC		9412.86 (1774.69)						
Everblue Apparel Limited			2.45 (10.62)					
Export Script Sales								
Raymond Limited	126.75 (26.98)							
JK Files Limited			- -					
Sale of Fixed Assets								
Silver Spark Apparel Ethiopia PLC - Ethiopia		- (16.54)						
JK Investor (Bombay) Limited							213.00 -	
Other Income								
JK Investor (Bombay) Limited							4.26 -	
Others reimbursement								
Raymond Limited	13.74 (11.49)							
Dress Master Apparel Private Limited		- -						
Silver Spark Middle East FZE		- (7.68)						
Celebrations Apparel Limited			- -					
Raymond Luxury Cottons Limited			40.99 -					
Raymond (Europe) Limited			19.52 -					
R & A Logistics, INC		46.59 (16.74)						
Guarantee income								
Silver Spark Middle East FZE		27.74 (32.24)						
Compensation for rejection								
Raymond (Europe) Limited	- -	- (5.78)	- -	- -				- -

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CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

Nature of Transactions	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above	Referred in 1 (d) above	Referred in 1 (e) above	Referred in 1 (f) above	Referred in 1 (g) above	Referred in 1 (h) above
Purchase								
Raymond Limited	9343.88 (2249.57)							
Silver Spark Middle East FZE		1770.81 (1333.48)						
Raymond Apparel Limited			4.00 -					
Dress Master Apparel Private Limited		- -						
Raymond Luxury Cottons Limited			1358.78 (1159.34)					
Celebrations Apparel Limited			- (0.01)					
Everblue Apparel Limited			- (6.34)					
Raymond UCO Denim Private Limited					62.22 (0.07)			
Job Work Expenses								
Everblue Apparel Limited		-	- (0.12)	-				
Expenses								
Rent								
Raymond Limited	180.00 (35.88)							
Celebrations Apparel Limited			102.69 (102.69)					
Dress Master Apparel Private Limited		- (61.33)						
Avani Agricultural Farms Private Limited				- (37.80)				
Commission								
Raymond (Europe) Limited			461.15 (153.24)					
R & A Logistics, INC		- (425.13)						
Corporate facility charges								
Raymond Limited	620.00 (455.67)							
Motor Vehicle Repair								
JK Investor (Bombay) Limited							23.55 (3.59)	
Others reimbursement								
Raymond Limited	369.91 (106.59)							
R & A Logistics, INC		- (39.62)						
Silver Spark Middle East FZE		34.66 (93.38)	-					
Deputation of staff								
Raymond Limited	98.05 -							
Directors sitting fees:								
Gautam Hari Singhania	-	-	-	- -				
Rashmi Mundada	- - -	- - -	- - -	(1.00) 1.00 (1.50) -				
Paid to Trust - Smt. Sulochanadevi Singhania School Trust								12.26 (53.00)
Paid to Trust - Employees Gratuity Fund contribution								- (31.48)

Nature of Transactions	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above	Referred in 1 (d) above	Referred in 1 (e) above	Referred in 1 (f) above	Referred in 1 (g) above	Referred in 1 (h) above
Finance								
Unsecured Loan taken								
Raymond Limited	-							
Dress Master Apparel Private Limited	-	-	-	-				-
JK Investor (Bombay) Limited							- (1000.00)	
JK Investo Trade(India) Limited						1,500.00 -		
Unsecured Loan repaid								
Raymond Limited	- - (966.33)	-	-	-				
Dress Master Apparel Private Limited		- -						
Ring Plus Aqua Limited			- (1500.00)					
JK Investor (Bombay) Limited							1,000.00 -	
JK Investo Trade(India) Limited						1,500.00 -		
Unsecured Loan repaid by								
Raymond Apparel Limited			3000.00 -					
Unsecured Loan given								
Silver Spark Middle East FZE		- (995.06)				-		
Raymond Apparel Limited			- (3000.00)					
Ray Global Consumer Trading Limited						10.00 -		
Raymond UCO Denim Private Limited					1,000.00 -			
Sale of Investment								
Dress Master Apparel Private Limited		- (1052.63)						
Interest Expense								
Raymond Limited	- (8.17)							
Ring Plus Aqua Limited		-	- - (85.58)	-				-
JK Investor (Bombay) Limited							71.26 (8.15)	
JK Investo Trade(India) Limited						86.75 -		
Interest Earned								
Dress Master Apparel Private Limited	-	- -	-	-				-
Silver Spark Middle East FZE		291.30 (245.46)						
Raymond Apparel Limited			125.05 (10.48)					
Ray Global Consumer Trading Limited						0.07 -		
Raymond UCO Denim Private Limited					43.08 -			

Previous year's figures are in bracket.

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Silver Spark Apparel Limited
Notes to the Standalone Financial Statements

Related Party Disclosures as per Ind As-24

(Rs. In Lakhs)

	31st March'22	31st March'21
Outstandings :		
Payable		
Holding Company		
Raymond Limited	12859.94	8383.09
Subsidiary		
Silver Spark Middle East FZE	899.78	1278.54
R & A Logistics, INC	1.90	268.84
Fellow Subsidiaries		
Celebrations Apparel Limited	-	28.35
Raymond (Europe) Limited	422.87	97.58
Everblue Apparel Limited	-	0.03
Raymond Luxury Cottons Limited	312.92	589.99
Other Significant influences		
JK Investor Bombay Limited	2.18	4.10
Joint Venture of holding company		
Raymond UCO Denim Private Limited	40.53	0.07
Other Payable		
Holding Company		
Raymond Limited	1296.29	688.23
Fellow Subsidiaries		
Celebrations Apparel Limited	151.59	55.45
Receivable		
Holding Company		
Raymond Limited	612.93	136.23
Subsidiary		
R & A Logistics, INC	6458.03	1504.45
Fellow Subsidiaries		
Raymond (Europe) Limited	2165.55	383.75
Raymond Apparel Limited	169.46	2615.94
Other Receivable		
Subsidiary		
Silver Spark Middle East FZE	661.01	608.47
Interest Receivable		
Associate of holding company		
Ray Global Consumer Trading Limited	0.06	
Joint Venture of holding company		
Raymond UCO Denim Private Limited	6.50	
Fellow Subsidiaries		
Raymond Apparel Limited		9.69
Subsidiary		
Silver Spark Middle East FZE		135.69
Interest Payable		
Other Significant influences		
JK Investor Bombay Limited	-	7.54
Investment		
Subsidiary		
Silver Spark Middle East FZE	3164.36	3164.36
R & A Logistics, INC	1278.33	1278.33
Loans Taken		
Other Significant influences		
JK Investor Bombay Limited	-	1000.00
Loans Given		
Subsidiary	-	-
Silver Spark Middle East FZE	3163.36	3051.00
Fellow Subsidiaries		
Raymond Apparel Limited	-	3000.00
Associate of holding company		
Ray Global Consumer Trading Limited	10.00	-
Joint Venture of holding company		
Raymond UCO Denim Private Limited	1000.00	-
Deposit Given		
Key Management Personnel and their enterprises		
Avani Agricultural Farms Private Limited (till 08.02.2021)	-	50.00
Fellow Subsidiaries		
Celebrations Apparel Limited	51.34	51.34

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Silver Spark Apparel Limited

Note : 39 Fair Value measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are 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:
1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

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

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

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

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

(Rs. in Lakhs)

Financial Assets and Liabilities as at 31st March'2022				Routed through P & L				Routed through OCI				Carrying at amortised cost	Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets													
Other Assets													
Loan to Related Parties	-	4,172.74	4,172.74	-	-	-	-	-	-	-	-	4,172.74	4,172.74
Loans to Employees	-	0.47	0.47	-	-	-	-	-	-	-	-	0.47	0.47
Other Financial Assets	583.70	885.71	1,469.41	-	-	583.70	583.70	-	-	-	-	885.71	1,469.41
Trade receivable	-	16,373.25	16,373.25	-	-	-	-	-	-	-	-	16,373.25	16,373.25
Mark to market on derivative financial instruments*	-	89.72	89.72	-	89.72	-	89.72	-	-	-	-	-	89.72
Cash and Cash equivalents	-	1,762.10	1,762.10	-	-	-	-	-	-	-	-	1,762.10	1,762.10
Other Bank balance		408.53	408.53	-	-	-	-	-	-	-	-	408.53	408.53
	583.70	23,692.52	24,276.22	-	89.72	583.70	673.42	-	-	-	-	23,602.80	24,276.22
Financial Liabilities													
Borrowings	634.50	7,628.72	8,263.22	-	-	-	-	-	-	-	-	8,263.22	8,263.22
Financial guarantee liability	43.75	27.74	71.49	-	-	71.49	71.49	-	-	-	-	-	71.49
Mark to market on derivative financial instruments*	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	5,145.68	5,145.68	-	-	-	-	-	-	-	-	5,145.68	5,145.68
Trade Payables	-	22,533.87	22,533.87	-	-	-	-	-	-	-	-	22,533.87	22,533.87
Capital Creditors		76.83	76.83									76.83	76.83
	678.25	35,412.84	36,091.09	-	-	71.49	71.49	-	-	-	-	36,019.60	36,091.09

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(Rs. In Lakhs)

Financial Assets and Liabilities as at 31st March'2021				Routed through P & L				Routed through OCI				Carrying at amortised cost	Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets													
Other Assets													
Loan to Related Parties	-	6,050.99	6,050.99	-	-	-	-	-	-	-	-	6,050.99	6,050.99
Loans to Employees	-	0.97	0.97	-	-	-	-	-	-	-	-	0.97	0.97
Other Financial Assets	549.15	947.96	1,497.11	-	-	549.15	549.15	-	-	-	-	947.96	1,497.11
Trade receivable	-	9,544.01	9,544.01	-	-	-	-	-	-	-	-	9,544.01	9,544.01
Mark to market on derivative financial instruments*	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and Cash equivalents	-	34.29	34.29	-	-	-	-	-	-	-	-	34.29	34.29
Other Bank balance		420.53	420.53	-	-	-	-	-	-	-	-	420.53	420.53
	549.15	16,998.75	17,547.90	-	-	549.15	549.15	-	-	-	-	16,998.75	17,547.90
Financial Liabilities													
Borrowings (Including Current maturities of long-term debt from Banks)	-	6,779.66	6,779.66	-	-	-	-	-	-	-	-	6,779.66	6,779.66
Financial guarantee liability	71.49	27.74	99.23	-	-	99.23	99.23	-	-	-	-	-	99.23
Mark to market on derivative financial instruments*	-	11.13	11.13	-	11.13	-	11.13	-	-	-	-	-	11.13
Other Financial Liabilities	-	3,968.06	3,968.06	-	-	-	-	-	-	-	-	3,968.06	3,968.06
Trade Payables	-	14,211.55	14,211.55	-	-	-	-	-	-	-	-	14,211.55	14,211.55
Capital Creditors		74.23										74.23	74.23
	71.49	25,072.39	25,069.62	-	11.13	99.23	110.36	-	-	-	-	25,033.49	25,143.85

* Fair value has been considered based on confirmation from bank

Fair value of financial assets and liabilities measured at amortised cost -

Financial Assets and Liabilities	As at 31st March, 2022		As at 31st March, 2021	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Loan to Related Parties	4,172.74	4,172.74	6,050.99	6,050.99
Loans to Employees	0.47	0.47	0.97	0.97
Other Financial Assets	885.71	885.71	947.96	947.96
Trade receivable	16,373.25	16,373.25	9,544.01	9,544.01
Cash and Cash equivalents	1,762.10	1,762.10	34.29	34.29
Other Bank balance	408.53	408.53	420.53	420.53
	23,602.80	23,602.80	16,998.75	16,998.75
Financial Liabilities				
Borrowings (Including Current maturities of long-term debt from Banks)	8,263.22	8,263.22	6,779.66	6,779.66
Other Financial Liabilities	5,145.68	5,145.68	3,968.06	3,968.06
Trade Payables	22,533.87	22,533.87	14,211.55	14,211.55
	35,942.78	35,942.78	24,959.26	24,959.26

Note - The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short term nature

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40 Financial risk management objectives and policies

The Comapany's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates. foreign currency exchange rates.equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

The Company manges market risk through a treasury departments, which evalutates and exercises independent control over the entire process of market risk management. The treasury department recommend risk mangament objectives and policies, which are approved by Senior Management and the Audit Committee. The acitivies of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Comapny's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury preforms a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

(Rs. in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Borrowings bearing variable rate of interest	8,263.22	6,779.66

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

(Rs. in lakhs)

	2021-2022	2020-2021
50 bp increase- decrease in profits	(41.32)	(33.90)
50 bp decrease- Increase in profits	41.32	33.90

Market Risk- Foreign currency risk.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the group is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodites and services in the respective currencies.

Derivative instruments and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date

(Foreign currency in lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Forward contracts to sell USD	USD	52.69	USD	24.18
Forward contracts to sell EUR	EUR	-	EUR	-
Forward contracts to sell GBP	GBP	14.98	GBP	9.04
Forward contracts to sell EUR/USD	EUR	-	EUR	-
Forward contracts to sell GBP/USD	GBP	-	GBP	-
Forward contracts to sell JPY	JPY	-	JPY	-

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(b) Particulars of unhedged foreign currency exposures as at the reporting date

As at 31st March, 2022 **(Foreign currency in lakhs)**

Particulars	USD	EURO	HKD	JPY	GBP	AED
Trade payables	46.37	0.34	-	108.15	1.19	7.29
Trade receivable	133.56	10.33	-	294.60	2.05	-

As at 31st March, 2021 **(Foreign currency in lakhs)**

Particulars	USD	EURO	HKD	JPY	GBP	AED
Trade payables	20.52	1.39	-	49.88	1.08	12.00
Trade receivable	32.55	11.07	-	374.35	-	-

Foreign Currency Risk Sensitivity

A change of 1% in Foreign currency would have following Impact on profit before tax

(Rs. in lakhs)

	2021-2022		2020-2021	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	66.10	(66.10)	8.79	(8.79)
EURO	8.46	(8.46)	8.20	(8.20)
HKD	-	-	-	-
JPY	1.16	(1.16)	2.15	(2.15)
GBP	0.86	(0.86)	(1.09)	1.09
AED	(1.50)	1.50	(2.39)	2.39
SGD			-	-
Increase / (decrease) in profit or loss	75.07	(75.07)	15.67	(15.67)

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customers, taking into account the financial condtion, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probablity of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the group compares the risk of default occuring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the operating results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements .

Financial assests are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the group. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due.Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates.Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Ageing of Account receivables

(Rs. in lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Not due	10,779.04	4,990.40
0-3 months	4,684.84	1,835.31
3-6 months	648.57	446.82
6 months to 12 months	58.19	1,108.75
beyond 12 months	202.30	1,162.73
Total	16,373.25	9,544.00

Movement in provisons of doubtful debts

(Rs. in lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Opening provision	69.27	13.75
Add:- Additions from Dress Master Apparel Private Ltd. Under Business	-	-
Add:- Additional provision made	117.30	55.52
Less:- Provision write off/ reversed	4.07	
Less:- Provision utilised against bad debts	-	-
Closing provisions	182.50	69.27

Liquidity Risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows

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Maturity patterns of borrowings

(Rs. in lakhs)

	As at 31st March, 2022			
	0-1 year	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long tern debt)	211.50	634.50	-	846.00
Short term borrowings	7,417.22	-		7,417.22
Expected Interest payable	114.47	69.46	-	183.93
Total	7,743.19	703.96	-	8,447.15

	As at 31st March, 2021			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long tern debt)	202.38	-	-	202.38
Short term borrowings	6,577.28	-		6,577.28
Expected Interest payable	80.06	-	-	80.06
Total	6,859.72	-	-	6,859.72

Maturity patterns of other Financial Liabilities

As at 31st March, 2022

(Rs. in lakhs)

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	17,431.07	5,098.05	4.74	-	-	22,533.86
Lease liabilities	-	111.77	113.42	76.13	203.64	504.97
Other Financial liability (Current and Non Current)	-	4,222.51	-	1,000.00	-	5,222.51
Total	17,431.07	9,432.33	118.16	1,076.13	203.64	28,261.34

As at 31st March, 2021

(Rs. in lakhs)

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	11,923.08	2,087.13	106.52	94.82	-	14,211.55
Lease liabilities	-	19.78	14.69	25.77	57.91	118.15
Other Financial liability (Current and Non Current)	-	2,778.20	-	1,138.00	-	3,916.20
Total	11,923.08	4,885.11	121.21	1,258.59	57.91	18,245.90

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41 Capital risk management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

42 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity and net debt includes interest bearing loans and borrowings less current investments, cash and cash equivalents, other bank balances and interest accrued on current investments. The primary objective of the Company's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt, excluding discontinued operation.

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.

	Year ended 31st March, 2022	Year ended 31st March, 2021
Long term borrowings	634.50	-
Short term borrowings (Including current maturities of Long term borrowing)	7,628.72	6,779.66
Less : Cash and cash equivalents	1,762.10	34.29
Less : Bank balances other than cash and cash equivalents	408.53	420.53
Less : Current investments	-	-
Less : Interest receivable on current investments	-	-
Net debt	6,092.59	6,324.84
Total equity	18,646.73	18,516.47
Capital and total equity		
Gearing ratio	0.33	0.34

To maintain or adjust the capital structure, the Company review the fund management at regular intervals and take necessary actions to maintain the requisite capital structure.
No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

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43 Segment Information

The Company's business activity falls within a single primary business segment of manufacture of trousers, shirts and jackets. Accordingly, the Company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment".

In accordance with Accounting Standard Ind As 108 'Operating Segment', segment information has been given in the consolidated financial statements of Silver Spark Apparel Limited, and therefore, no separate disclosure on segment information is given in these financial statements.

Further the Company meets the quantitative threshold as mentioned in Ind AS 108 and hence separate information has been disclosed below:

Reporting of Customers contributing to revenue more than 10% (Rs. in lakhs)

Name of Customer	Revenue	
	Year ended 31st March, 2022	Year ended 31st March, 2021
HLL Lifecare Ltd	-	5,048.29
LI & FUNG Trading (Express)	14,530.67	8,265.65
R & A Logistics, INC	12,789.21	-
Raymond (Europe) Limited	6,566.36	-
Total	33,886.23	13,313.94

44 Other statutory information

DETAILS OF BENAMI PROPERTY HELD

The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company has got transactions/balance with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

Sr No	Name of Struck off company	Nature of Transaction	Transactions during the year March 31, 2022	Balance outstanding at the end of the year as at March 31, 2022	Relationship with the Struck off company, if any, to be disclosed
1	SAHARA CARGO PACKERS AND SHIFTERS PRIVATE LIMITED	Advance given	-	0.28	Vendor(Non related)
2	EVERGREEN SYSTEMS AND ENGINEERING PRIVATE LIMITED	Advance given	-	1.51	Vendor(Non related)

WILLFUL DEFAULTER

The Company has not been declared a willful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(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.

The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company 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.

UNDISCLOSED INCOME

The Company has not 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.

BORROWINGS OBTAINED ON THE BASIS OF SECURITY OF CURRENT ASSETS

For the borrowings secured against current assets the company has filed Quarterly statements of current assets with the banks and the same are in agreement with the books of accounts.

UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

As on March 31, 2022 there is no unutilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.

REVALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year

COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017

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45 The Company has considered the possible effects that may result from COVID-19 in the preparation of these financial statements. The Company believes that pandemic is unlikely to impact on the recoverability of the carrying value of its assets as at March 31, 2022. Based on the current year performance and estimates arrived at using internal and external sources of information, the Company does not expect any material impact on such carrying values. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business. The Company is taking all necessary measures to secure the health and safety of its employees, workers and their families.

46 The Company has initiated the process of obtaining Balance confirmations and is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management is of the opinion the balances outstanding are correct and does not expect any material differences in the balances that would be affecting the current year's financial statements on receipt of the balance confirmations post the balance sheet date.

47 Previous year figures have been re-grouped/rearranged wherever necessary to conform to the current year's classification.

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48 The ratios for the years ended March 31, 2022 and March 31, 2021 are as follows:

		2021-22	2020-21	Variation	Numerator	Denominator	Reasoning
1	Current Ratio(in times)	1.07	1.03	4%	Current assets	Current liabilities	
2	Debt- Equity Ratio(in times)	0.44	0.37	21%	Total debt = Long term borrowings including current maturities + current borrowings]	Equity= Issued share capital + Other equity	
3	Debt- Service Coverage Ratio(in times)	0.28	0.17	65%	Earnings available for debt service = Profit before tax - gain on disposal of discontinued operation + finance costs + depreciation and amortisation expense	Debt service = Interest + Principal repayments	1. Increase in Earning before interest Tax depreciation and amortisation is increased from Rs. 1244.83 Lacs in FY 20-21 to Rs 2486.53 Lacs in FY 21-22, as the business operations were impacted in FY 20-21 due to covid 2. Also there is increase in Loan and Interest from Rs. 7383.93 Lacs in FY 20-21 to Rs. 8915.61 Lacs
4	Return on equity Ratio(in %)	0.86%	-3.16%	-127%	Net profits after taxes	Average total equity	Net profit has increased from Loss of Rs. 590.76 Lacs in FY 20-21 to Profit of Rs. 158.97 Lacs in FY 21-22, as the business operations were impacted in FY 20-21 due to covid
5	Inventory Turnover Ratio(in times)	0.61	0.45	36%	Cost of Goods Sold	Average inventory	Increase in sales from Rs. 36111.78 Lacs in FY 20-21 to Rs. 49015.81 Lacs in FY 21-22, as the business operations were impacted in FY 20-21 due to covid
6	Trade receivable Turnover Ratio(in times)	0.95	0.81	17%	Revenue from sale of products and services	Average trade receivables	
7	Trade Payable turnover Ratio(in times)	0.44	0.25	74%	Net purchases of goods = Purchase of raw materials included in cost of raw materials consumed + Purchases of stock in trade	Average Trade Payables	Increase in purchases from Rs. 14,929.86 Lacs in FY 20-21 to Rs. 32,555.60 Lacs in FY 21-22.
8	Net Capital Turnover Ratio(in times)	18.25	40.67	-55%	Revenue from operations	Working capital = Current assets - Current liabilities	Increase in working capital by Rs 1818.58 Lacs
9	Net profit Ratio(in %)	0.32%	-1.61%	-120%	Net profit after tax	Revenue from operations	Net profit has increased from Loss of Rs. 590.76 Lacs in FY 20-21 to Profit of Rs. 158.97 Lacs in FY 21-22, as the business operations were impacted in FY 20-21 due to covid
10	Return on Capital employed Ratio(in %)	3.42%	-0.72%	-574%	Earnings before interest and taxes (including other income)	Capital Employed = Average total equity + Average Total Debt	Earning before interest and tax has increased from Loss of Rs. 203.63 Lacs in FY 20-21 to Profit of Rs. 893.37 Lacs in FY 21-22, as the business operations were impacted in FY 20-21 due to covid
11	Return on Investment (in %)	0.86%	-3.16%	-127%	Profit After Tax	Average Shareholder Equity	Net profit has increased from Loss of Rs. 590.76 Lacs in FY 20-21 to Profit of Rs. 158.97 Lacs in FY 21-22, as the business operations were impacted in FY 20-21 due to covid

CHATURVEDI & SHAH LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

SILVER SPARK APPAREL LTD. Yelahanka New Town ★ Bangalore-560064 ★

Silver Spark Apparel Limited
Notes to the Standalone Financial Statements

49 Earnings per share

	Year ended 31st March, 2022	Year ended 31st March, 2021
Earnings Per Share		
Profit/(Loss) for the year (Rs. in lakhs)	158.97	(590.76)
Weighted average number of equity shares outstanding (nos.)	89,64,300	89,64,300
Earnings Per Share (Rs. Per equity share of Rs. 10 each)		
- Basic	1.77	(6.59)
- Diluted	1.77	(6.59)

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar
Partner
Membership Number : 103418

Place: Mumbai
Date:13th May 2022

For and on behalf of the Board of Directors

Harishkumar Chatterjee
Director
DIN: 03560685

Krishnan Narayan
Director
DIN: 00950589

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

SILVER SPARK APPAREL LTD. Yelahanka New Town Bangalore-560064

Silver Spark Apparel Limited

Consolidated Balance Sheet as at 31st March 2022

(Rs. in lakhs)

		Note	Audited As at 31st March, 2022	Audited As at 31st March, 2021
I	ASSETS			
1	Non-current Assets			
	(a) Property, Plant and Equipment	2A	18,941.32	20,426.57
	(b) Capital work - in - progress	2B	84.62	49.50
	(c) Right-of-use Asset	2C	487.85	159.45
	(d) Other Intangible assets	3	313.02	576.60
	(e) Financial Assets			
	(i) Others financial assets	4	743.15	840.23
	(f) Other non - current assets	5	10.27	17.10
	(g) Assets for Income Tax (Net)		252.52	427.23
2	Current assets			
	(a) Inventories	6	18,450.61	10,789.45
	(b) Financial Assets			
	(i) Trade Receivables	7	13,269.49	9,863.92
	(ii) Cash and cash equivalents	8	4,533.45	869.93
	(iii) Bank Balances other than Cash and Cash Equivalents	9	408.53	420.53
	(iv) Loans	10	1,009.86	3,000.97
	(v) Other financial asset	11	314.42	203.80
	(c) Other current assets	12	2,296.81	1,556.82
	TOTAL ASSETS		61,115.92	49,202.10
II	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share capital	13	896.43	896.43
	(b) Other equity	14	9,412.90	8,442.83
	Liabilities			
2	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	1,641.64	4,073.42
	(ii) Lease liabilities	16	203.65	57.91
	(b) Deferred tax liabilities (Net)	33	383.36	705.11
	(c) Other Non-current Liability	17	650.42	724.88
3	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	18	13,922.52	12,230.10
	(ii) Lease Liabilities	19	312.07	124.03
	(iii) Trade Payables	20		
	(A) total outstanding dues of Small enterprise and micro enterprise		195.59	123.12
	(B) total outstanding dues of creditors other than Small enterprise and micro enterprise		26,139.29	16,089.42
	(iv) Other financial liabilities	21	5,558.88	4,486.33
	(b) Other current liabilities	22	442.24	192.68
	(c) Provisions	23	1,356.93	1,055.84
	TOTAL EQUITY AND LIABILITIES		61,115.92	49,202.10
	Statement of Significant Accounting Policies	1		

The accompanying notes are an integral part of these consolidated financial results

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number : 101720W/ W100355

SILVER SPARK APPAREL LTD. Yelahanka New Town Bangalore-560064

For and on behalf of the Board of Directors

Lalit R. Mhalsekar
Partner
Membership No. 103418

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 13th May 2022

Harishkumar Chatterjee
Director
DIN: 03560685

Krishnan Narayan
Director
DIN: 00950589

Silver Spark Apparel Limited

Consolidated Statement of Profit & Loss for the Year ended 31st March, 2022

(Rs. in lakhs)

		Note	Audited Year ended 31st March, 2022	Audited Year ended 31st March, 2021
I	Revenue from Operations	24	62,404.56	46,665.61
II	Other Income	25	1,835.03	881.60
III	**Total Income (I + II)**		**64,239.59**	**47,547.21**
IV	**Expenses**			
	Cost of materials consumed	26	34,546.80	22,946.42
	Purchases of Stock-in-Trade	27	1,075.52	109.29
	Changes in inventories of finished goods, Stock-in-Trade and work-in progress	28	(537.26)	1,377.37
	Employee benefits expense	29	13,648.40	12,125.69
	Finance costs	30	950.55	1,005.09
	Depreciation and amortization expense	31	2,131.48	2,232.60
	Impairment of Fixed Assets	2A	-	473.96
	Other expenses			
	A. Manufacturing and Operating Costs	32A	3,277.51	2,028.45
	B. Other expenses	32B	7,582.31	6,889.09
	Total expenses (IV)		**62,675.31**	**49,187.96**
V	**Profit / (loss) before exceptional items and tax (III - IV)**		1,564.28	(1,640.75)
VI	**Tax expense**			
	Current tax	33	94.97	10.55
	Deferred tax charge/(credit)	33	(318.33)	(217.14)
VII	**Profit/(Loss) for the period (V - VI)**		**1,787.64**	**(1,434.16)**
VIII	**Other Comprehensive Income**			
A	**(i) Items that will not be reclassified to profit or loss**			
	Remeasurements of net defined benefit plans	38	(38.37)	297.96
	Equity instruments through Other Comprehensive Income		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	33	9.66	(75.00)
	Equity instruments through Other Comprehensive Income		-	-
B	**(i) Items that will be re-classified to profit or loss**			
	Gain and Losses arising from translating the financial statements of foreign operations		(788.86)	262.27
	Other Comprehensive Income for the period (VIII)		**(817.57)**	**485.23**
IX	**Total Comprehensive Income for the period (VII + VIII)**		**970.07**	**(948.93)**
X	**Earnings per equity share of Rs. 10 each :**	49		
	Basic		19.94	(16.00)
	Diluted		19.94	(16.00)
	Nominal Value per share (in Rs.)		**10.00**	**10.00**
	Statement of Significant Accounting Policies	1		

The accompanying notes are an integral part of these consolidated financial results

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number : 101720W/ W100355

For and on behalf of the Board of Directors

SILVER SPARK APPAREL LTD Yelahanka New Town Bangalore-560064

Lalit R. Mhalsekar
Partner
Membership No. 103418

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 13th May 2022

Harishkumar Chatterjee
Director
DIN: 03560685

Krishnan Narayan
Director
DIN: 00950589

Silver Spark Apparel Limited

Consolidated Statement of Cash Flow for the year ended 31st March, 2022

(Rs. in lakhs)

Particulars	Year ended31st March, 2022 Rs. in lakhs		Year ended31st March, 2021 Rs. in lakhs	
A. Cash flow from Operating Activities				
Net Profit before tax as per Statement of Profit and Loss.		1564.28		(1640.75)
Add/(Less):				
(Profit)/Loss on sale of Fixed assets	(113.79)		98.03	
(Profit)/Loss on sale of Investment	-		(375.11)	
Interest Income	(331.78)		(127.81)	
Provision for doubtful debts	117.30		277.73	
MEIS receivable Written Off in current year	-		1,571.92	
Provision for Export benefits receivable	42.01		139.12	
Provision for Interest subsidy receivable	-		92.24	
Provision for Duty Drawback receivable	-		3.80	
Provision for doubtful other advances	41.95		-	
Provision no longer required / Credit balances written back	(219.09)		(203.85)	
Impairment of Fixed Assets	-		473.96	
Depreciation and amortisation	2,131.48		2,232.60	
Write off of doubtful debts	30.86		-	
Gain Loss on Termination / Modification of Lease	-		(106.97)	
Government grant amortised	(68.71)		(67.36)	
Other Comprehensive Income	(827.23)		560.23	
Finance Costs	950.55	1,753.61	962.12	5,530.65
Operating Cash Profit Before Working Capital changes		**3,317.89**		**3,889.90**
Changes in working capital				
(Increase) / Decrease in Inventories	(7,661.16)		4,197.51	
(Increase) / Decrease in Trade Receivables	(3,127.28)		2,231.49	
(Increase) / Decrease in loans	(8.89)		6.80	
(Increase) / Decrease in Other Financial Assets	(27.58)		1.58	
(Increase) / Decrease in Other Assets	(678.50)		1,530.66	
Increase / (Decrease) in Trade Payables	9,905.69		(472.13)	
Increase / (Decrease) in Other Financial Liabilities	1,134.97		84.42	
Increase / (Decrease) in Other Liabilities	162.42		(324.23)	
Increase / (Decrease) in Short Term Provisions	301.09	0.76	(132.82)	7,123.28
Less: Direct Taxes paid (Net)		79.74		(25.54)
Net Cash inflow/(outflow) from operating activities (A)		**3,398.39**		**10,987.63**
B. Cash flow arising from Investing Activities				
Inflow				
Proceeds from Inter Corporate Deposit	1,500.00		1,000.00	
Loan repaid by Related Party	3,000.00		-	
Sale of fixed assets	213.00		-	
Sale of Investments	-		1,777.45	
Interest income	315.81	5,028.81	94.21	2,871.66
Outflow				
Investment in Term Deposits with Banks	0.00		(405.88)	
Repayment of Loan to Holding Company	-		(966.33)	
Repayment of Loan to Related Party	(2,500.00)		(1,500.00)	
Loan to related party	(1,010.00)		(3,000.00)	
Acquisition of fixed assets	(141.06)	(3,651.06)	(591.94)	(6,464.15)
Net Cash inflow/(outflow) from investing activities (B)		**1,377.75**		**(3,592.50)**
C. Cash flow from Financing Activities				
Inflow				
New Loan from Bank	846.00		-	
Increase /(Decrease) in Working Capital Loan from Banks (Net)	2,142.43	2,988.43	(3,911.99)	(3,911.99)
Outflow				
Repayment of Term loan from bank	(2,727.79)		(1,594.02)	
Repayment of Lease Liabilities	(417.47)		(260.68)	
Finance Costs	(955.79)	(4,101.05)	(949.29)	(2,803.99)
Net cash inflow/(outflow) from Financing activities (C)		**(1,112.62)**		**(6,715.98)**
Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)		**3,663.52**		**679.16**
Add: Balance at the beginning of the year (Refer Note 8)		**869.93**		**190.77**
Cash and Cash equivalents at the close of the year (Refer Note 8)		**4,533.45**		**869.93**

Statement of Significant Accounting Policies (Refer Note 1)
The accompanying notes are an integral part of these consolidated financial results

CHATURVEDI & SHAH LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

SILVER SPARK APPAREL LTD. Yelahanka New Town ★ Bangalore-560064 ★

Notes:

1) The above Cashflow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS-7 on Statement of Cash Flows as referred to in Section 133 of the Companies Act, 2013.

2) Changes in liabilities arising from financing activities

Year ended 31st March, 2022	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow (Repayments)/ Additions	Closing Balance
Long-term external borrowings	6,950.63	846.00	(2,727.79)	5,068.84

Year ended 31st March, 2021	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow (Repayments)/ Additions	Closing Balance
Long-term external borrowings	8,799.67	-	(255.02)	8,544.65

Year ended 31st March, 2022	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow Repayments	Closing Balance
Interest accrued on long term external borrowings	14.29	214.96	(208.06)	21.19

Year ended 31st March, 2021	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow Repayments	Closing Balance
Interest accrued on long term external borrowings	35.35	267.09	(288.15)	14.29

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number : 101720W/ W100355

For and on behalf of the Board of Directors

Lalit R. Mhalsekar
Partner
Membership No. 103418
Place: Mumbai
Date: 13th May 2022

Harishkumar Chatterjee
Director
DIN: 03560685

Krishnan Narayan
Director
DIN: 00950589

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

SILVER SPARK APPAREL LTD. Yelahanka New Town Bangalore-560064

Silver Spark Apparel Limited
Consolidated Statement of Changes in Equity

(a) Equity Share capital

	Note	Amount
As at 31 March, 2022	13	896.43
As at 31 March, 2021		896.43

(b) Other equity

(Rs. in lakhs)

	Note					
Balance as at 31st March, 2020		566.31	3,803.55	7,273.60	(2,251.70)	9,391.76
Changes in accounting policy or prior period errors		-	-	-	-	-
Restated balance at the beginning of the Period		566.31	3,803.55	7,273.60	(2,251.70)	9,391.76
Profit / (Loss) for the year		-	-	(1,434.16)	-	(1,434.16)
Exchange differences on translating the financial statements of a foreign operation		-	-	-	262.27	262.27
(Re-measurement of defined benefit plans)		-	-	222.96	-	222.96
Balance as at 31st March, 2021		566.31	3,803.55	6,062.40	(1,989.43)	8,442.83
Changes in accounting policy or prior period errors	14	-	-	-	-	-
Restated balance at the beginning of the current reporting Period		566.31	3,803.55	6,062.40	(1,989.43)	8,442.83
Profit / (Loss) for the year		-	-	1,787.64	-	1,787.64
Exchange differences on translating the financial statements of a foreign operation		-	-	-	(788.86)	(788.86)
Other Comprehensive Income for the year (Re-measurement of defined benefit plans)		-	-	(28.71)	-	(28.71)
Balance as at 31st March, 2022		566.31	3,803.55	7,821.33	(2,778.29)	9,412.90

Statement of Significant Accounting Policies (Refer Note 1)

The accompanying notes are an integral part of these consolidated financial results

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number : 101720W/ W100355

For and on behalf of the Board of Directors

Lalit R. Mhalsekar
Partner
Membership No. 103418
Place: Mumbai
Date: 13th May 2022

Harishkumar Chatterjee
Director
DIN: 03560685

Krishnan Narayan
Director
DIN: 00950589

Silver Spark Apparel Limited

1 Statement of Significant Accounting Policies

I. Background

Silver Spark Apparel Limited ('SSAL' or 'the Company') and its subsidiaries (Company and its subsidiaries together referred to as the 'Group') carries on **business of manufacturing suits, jackets, shirts and formal trousers catering largely to global markets.** Silver Spark Apparel Limited is a wholly owned subsidiary of Raymond Limited marking the group's foray into Global Apparel Outsourcing market.

II. Significant accounting policies

a. Basis of preparation

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with of the Companies (Indian Accounting standards) Rules, 2015.

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.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that are measured at fair value;

2) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Recent accounting developments / pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material

(v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of schedule III, unless otherwise stated.

b. Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

SILVER SPARK APPAREL LTD Yelahanka New Town Bangalore-560064.

Silver Spark Apparel Limited

1 Statement of Significant Accounting Policies

c. Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Changes in estimates are recorded in the year in which they become known. Actual results may differ from the Management's estimates if these results differ from historical experience or other assumptions do not turn out to be substantially accurate, even if such assumptions were reasonable when made.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

d. Property, plant and equipment

Freehold land is carried at historical cost. All other property, plant and equipment and intangible assets are stated at cost of acquisition, less accumulated depreciation and impairments, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost of an item of Property, plant and equipment comprises of its purchase price including import duties and non refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and present value of estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company 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.

Expenses incurred relating to project, prior to commencement of commercial operations are considered as project development expenditure and shown under Capital Work in Progress.

Depreciation and amortization

Depreciation is calculated using the straight-line method or written down value to allocate their cost, net of their residual values, over their estimated useful lives. Details of useful lives of assets is as below-

Factory buildings	SLM 30 years
Non- Factory Building	SLM 60 years
Plant & Machinery*	SLM 24 years
Plant & Machinery	SLM 15 years
RFID	SLM 5 years
Leasehold Improvements	SLM 6 years
Furniture, fittings and equipment	WDV 5-10 years
Vehicles	WDV 8 years

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

*The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery which based on an independent technical evaluation has been estimated as 24 years (on a single shift basis) which is different from that prescribed in Schedule II of the Act.

The residual values are not more than 5% of the original cost of the asset. The asset residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate at the end of each reporting period.

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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

1 Statement of Significant Accounting Policies

e. Intangible assets

i. Computer software

Computer software are stated at cost of acquisition, less accumulated amortisation and impairments, if any.

ii. Amortisation methods and periods

The Company amortises computer software with a finite useful life using the straight-line method over the period of 3 to 10 years.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

iii. Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

f. Lease

Company as a lessee

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been presented in the Balance Sheet as a part of Property, plant and equipment and lease payments have been classified as financing cash flows.

Company as a lessor

Lease income from operating leases where the company is lessor is recognised in income on straight line basis over the lease term.

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

SILVER SPARK APPAREL LTD. Yelahanka New Town Bangalore-560064

Silver Spark Apparel Limited

1 Statement of Significant Accounting Policies

g. Cash and Cash Equivalents

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

h. Cash flow

Cash flows are reported using the indirect method, whereby profit for the period 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 item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

i. Inventories

Inventories of Raw Material, Work in Progress, Finished Goods and Stores & Spares are stated at 'Cost or Net realizable value whichever is lower'. Goods-in-transit are stated 'at cost'. Cost comprises all cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used is 'Weighted Average cost'. All the costs incurred on unfinished/finished jobs, but not invoiced and dispatched, under conversion contracts, are carried forward as "Accumulated Costs on Conversion Contracts" at cost or net realizable value whichever is lower. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on past experience of the Group.

j. Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

* Those to be measured subsequently at fair value either through other comprehensive income, or through profit or loss,
and

* Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this depend on the business model in which the investments are held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

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***Fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses) Interest income from these financial assets is included in other income using the effective interest rate method.

***Fair value through profit or loss:**

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments:

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

1. The Group has transferred the rights to receive cash flows from the financial asset or

2. Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

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

(v) Income recognition

Interest income :

Interest income from debt instruments is recognised using the effective interest rate method.

Dividend

Dividend income is recognized if right to receive dividend is established by the reporting date.

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k. 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.

l. Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the of assessing impairment assets are Companyed at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

m. Current non-current Classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

n. Derivative financial instruments

Derivative financial instruments, such as forward currency contracts, option contract and cross currency swap, to hedge its foreign currency risks and interest rate risks. Such derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognized in the statement of profit and loss, in the period when they arise.

o. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

p. Borrowing

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividends on these preference shares are recognised in Statement of Profit and Loss as finance costs.

q. Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

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1 Statement of Significant Accounting Policies

r. Financial Liabilities

(i) Financial Liabilities initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(ii) Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

s. Provisions and Contingent Liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognise a contingent asset unless the recovery is virtually certain.

t. Revenue recognition

The group derives revenues primarily from sale of manufactured goods, traded goods and related services.

As per IND AS 115 - Revenue from Contracts with Customers, entity shall recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. The control of the products and services were transfer at a time, where in performance obligation and Control of goods or services transferred over a time.

Sale of goods

In case of domestic customer, generally performance obligation satisfied and transferred the control when goods are dispatched or delivery is handed over to transporter, in case of export customers, generally performance obligation satisfied and transferred the control, when goods are shipped onboard based on bill of lading.

Sales return

The Group recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

Revenue from services

Revenue from services is recognised in the accounting period in which the services are rendered.

Other operating revenue - Export incentives

Export Incentives under various schemes are accounted in the year of export.

Silver Spark Apparel Limited

1 Statement of Significant Accounting Policies

u. Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised 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.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An acturail valution is obtained at the end of reproting period.The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and

(b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The net interest cost is calculated by actuary 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 employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised 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 as calcualted by acturay are recognised immediately in the Statement of Profit and Loss as past service cost.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fundetc., are charged to the Statement of Profit and Loss Account as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Group.The interest payable by the Trust is notified by the Government. The Group has an obligation to make good the shortfall, if any.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b)when the Group recognises costs for are structuring that is within the scope of Ind AS37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

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1 Statement of Significant Accounting Policies

v. Foreign currency transactions

Functional and presentation currency

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Silver Spark Apparel Limited's functional and presentation currency.

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

w. Income Tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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 off set where the Group 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.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

x. Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable e to owners
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares .

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1 <u>Statement of Significant Accounting Policies</u>

<u>Diluted earnings per share</u>

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

y. Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

z. Government Grant:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate and are deducted from the related expenses.

Government grants relating to the purchase of property, plant and equipment are included in non- current liabilities/current liabilities as deferred income and are credited to the Statement of profit and loss on a straight-line basis over the expected lives of the related assets and presented within other income.

III. Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of asets and liabilities within the next financial year, are described below:

Useful life of Property, Plant and Equipment including intangible asset: Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Taxes: The Group provides for tax considering the applicable tax regulations and based on probable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Group against which such assets can be utilized.

Defined benefit plans (gratuity benefits): The Group's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Export benefits receivables are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount or such assets may not be recoverable. If any such indications exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

Provisions and Contingent liabilities are reviewed at each balance sheet date and adjusted to reflect best estimate.

Estimate with respect to uncertainities related to Covid 19. (Refer Note 46)

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2A Property, Plant and Equipment

(Rs. in lakhs)

	Land Freehold	Buildings	Leasehold Improvements	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Total	Capital Work in Progress
Balance as at 31st March, 2020	86.68	2,939.94	805.88	24,146.31	460.29	478.55	185.52	29,103.17	152.18
Additions	-	-	143.88	366.59	26.77	153.05	1.42	691.71	416.89
Disposals		-	-	111.14	-	-	1.60	112.74	519.57
Adjustment	0.97	417.41						418.38	
Balance as at 31st March, 2021	85.71	2,522.53	949.76	24,401.76	487.06	631.60	185.34	29,263.76	49.50
Additions	-	24.24	-	67.39	-	2.41	12.08	106.12	130.17
Disposals		-	-	-	-	214.70	-	214.70	95.05
Adjustment	-	-						-	
Balance as at 31st March, 2022	85.71	2,546.77	949.76	24,469.15	487.06	419.31	197.42	29,155.18	84.62
Accumulated Depreciation									
Balance as at 31st March, 2020	-	610.80	401.11	5,126.55	201.02	236.80	108.98	6,685.27	-
Additions	-	100.70	64.54	1,413.88	64.15	113.99	19.16	1,776.42	
Impairment*	-	-	455.68	18.28	-	-	-	473.97	
Disposals		-	-	13.75	-	-	0.96	14.71	
Adjustment		83.76						83.76	
Balance as at 31st March, 2021	-	627.74	921.33	6,544.96	265.17	350.79	127.18	8,837.19	
Additions	-	88.58	0.14	1,254.04	55.44	77.15	16.75	1,492.10	
Impairment	-	-	-	-	-	-	-	-	
Disposals		-	-	-	-	115.43	-	115.43	
Adjustment		-						-	
Balance as at 31st March, 2022	-	716.32	921.47	7,799.00	320.61	312.51	143.93	10,213.85	
Net Block									
Balance as at 31st March, 2022	85.71	1,830.45	28.29	16,670.15	166.45	106.80	53.49	18,941.32	84.62
Balance as at 31st March, 2021	85.71	1,894.79	28.43	17,856.80	221.89	280.81	58.16	20,426.57	49.50

(a) Refer Note 34 For information on property, plant and equipment pledged as security by the Company.
(b) Refer to note 35 for disclosure of contractual commitments for the acquisition of property, plant and equipment .
(c) Adjustment indicates additional/reversal due to sale of stake in Dress Master Apparel Private Limited.
(d)

*One of our Subsidiary Company had entered into agreement with one of a USA customer for sales of Make to Measure products through their retails stores and for that Company had incurred Rs. 650 Lakhs as Capital Expenditure towards stores fit out and computers. However due to non- performance of business as per projection, uncertainty of the business in near future and based on input received possibility of re-launch of MTM business is not there due to COVID-19 impact, in previous year management had decided for creation of provision for Rs. 473.97 Lakhs (WDV of Capital Expenditure as on 30th June 2020) as impairment of Fixed Assets.

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2B Capital work - in - progress

CWIP(2021-22)	Amount in CWIP for a period of				
	Less than 1 year	1-2 year	2-3 years	more than 3	Total
CWIP	84.62				84.62
					-
	84.62	-	-	-	84.62

CWIP(2020-21)	Amount in CWIP for a period of				
	Less than 1 year	1-2 year	2-3 years	more than 3	Total
CWIP	49.50	-	-	-	49.50
					-
	49.50	-	-	-	49.50

There in no time over due and cost over run

2C Right-of-use Asset

(Rs in lakhs)

	Buildings	Total
Gross Carrying Amount :		
Balance as at 31st March, 2020	885.61	885.61
Additions	95.70	95.70
Disposals	668.20	668.20
Balance as at 31st March, 2021	313.11	313.11
Additions	704.19	704.19
Disposals	44.67	44.67
Balance as at 31st March, 2022	**972.63**	**972.63**
Accumulated Depreciation:		
Balance as at 31st March, 2020	253.41	253.41
Depreciation for the year	213.73	213.73
Deductions/Adjustments	313.48	313.48
Balance as at 31st March, 2021	153.66	153.66
Depreciation for the year	375.79	375.79
Deductions/Adjustments	44.67	44.67
Balance as at 31st March, 2022	**484.78**	**484.78**
Net Carrying Amount :		
Balance as at 31st March, 2022	487.85	487.85
Balance as at 31st March, 2021	159.45	159.45

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3 Other Intangible assets

(Rs. in lakhs)

	Computer Software	Total	Intangible assets under development
Gross Block			
Balance as at 31th March, 2020	**810.87**	**810.87**	-
Additions	**133.33**	133.33	**133.33**
Disposals			**133.33**
Balance as at 31th March, 2021	**944.20**	**944.20**	-
Additions	-	-	
Disposals			
Balance as at 31st March, 2022	**944.20**	**944.20**	-
Accumulated Depreciation			
Balance as at 31th March, 2020	**125.12**	**125.12**	-
Additions	242.47	242.47	
Disposals			
Balance as at 31st March, 2021	**367.60**	**367.60**	-
Additions	263.58	263.58	
Disposals			
Balance as at 31st March, 2022	**631.18**	**631.18**	-
Net Block			
Balance as at 31st March, 2022	**313.02**	**313.02**	-
Balance as at 31st March, 2021	**576.60**	**576.60**	-

(a) Other than internally generated.
(b) Balance useful life as on 31st March 2022 ranges from 6 months to 2.5 years.

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(Rs. in lakhs)

		As at 31st March, 2022	As at 31st March, 2021
4	**Other Financial assets**		
	(Unsecured, considered good)		
	Security Deposits with others	434.93	544.01
	Margin money deposits with bank*	308.22	296.22
	*(Held as lien by bank against bank guarantee)		
	Total	**743.15**	**840.23**

	5 Other non-current assets	As at 31st March, 2022	As at 31st March, 2021
	Capital advances	8.82	9.33
	Capital advances, considered doubtful	0.33	-
	Less: Allowance for bad and doubtful assets	(0.33)	-
	Prepaid Expenses - Deferred cost	1.45	7.77
	Total	**10.27**	**17.10**

	6 Inventories	As at 31st March, 2022	As at 31st March, 2021
	Raw Materials	9,718.36	4,780.46
	Raw Material in Transit	2,083.61	905.65
	Work-in-progress	197.18	134.81
	Finished goods	5,104.88	4,390.51
	Stock-in-trade - In Transit	956.64	-
	Stores and Spares	239.68	188.27
	Accumulated cost on Conversion contracts		
	Completed	122.35	380.16
	In Process	27.91	9.60
	Total	**18,450.61**	**10,789.46**

Refer Note 34 For information on assets pledged as security by the Company

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7 Trade receivables

(Rs. in lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Considered good		
Unsecured		
Related parties [Refer note 39]	2,947.93	3,135.93
Other parties [Refer note 47]	10,321.56	6,727.99
Considered doubtful		
Other parties	209.50	291.48
Less: Allowance for bad and doubtful debts	(209.50)	(291.48)
Total	**13,269.49**	**9,863.92**

Refer Note 34 For information on assets pledged as security by the Company

The movement in Allowance for bad and doubtful debts is as follows:

	As at 31st March, 2022	As at 31st March, 2021
Balance as at beginning of the year	291.48	13.76
Allowance for bad and doubtful debts during the year	117.30	277.72
Less: Trade receivables written off during the year(previous year provision)	61.93	-
Less: Provision no longer required	137.35	-
Balance as at the end of the year	**209.50**	**291.48**

Refer note 40 for information about credit risk and market risk of trade receivables.

2021-22	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed							
Related Parties	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Less:- Provision	-	-	-	-	-	-	-
Net Disputed(a)	-	-	-	-	-	-	-
Secured disputed	-	-	-	-	-	-	-
Unsecured Disputed	-	-	-	-	-	-	-
Undisputed							
Related Parties	1,990.55	745.39	34.78	52.94	124.26	-	2,947.93
Others	7,681.23	2,590.84	24.43	233.78	0.10	0.69	10,531.06
Less:- Provision	-	-	-	(208.70)	(0.10)	(0.69)	(209.50)
Net undisputed(b)	9,671.78	3,336.23	59.21	78.02	124.26	-	13,269.49
Total (a+b)	9,671.78	3,336.23	59.21	78.02	124.26	-	13,269.49
Secured undisputed	-	-	-	-	-	-	-
Unsecured Undisputed	9,671.78	3,336.23	59.21	78.02	124.26	-	13,269.49
Total Secured	-	-	-	-	-	-	-
Total Unsecured	9,671.78	3,336.23	59.21	78.02	124.26	-	13,269.49

2020-21	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed							
Related Parties	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Less:- Provision	-	-	-	-	-	-	-
Net Disputed(a)	-	-	-	-	-	-	-
Secured disputed	-	-	-	-	-	-	-
Unsecured Disputed	-	-	-	-	-	-	-
Undisputed							
Related Parties	661.31	605.82	706.08	1,162.72	-	-	3,135.93
Others	5,351.50	688.39	934.34	37.87	6.68	0.69	7,019.47
Less:- Provision	-	-	(280.52)	(3.59)	(6.68)	(0.69)	(291.48)
Net undisputed(b)	6,012.81	1,294.21	1,359.90	1,197.00	0.00	0.00	9,863.92
Total (a+b)	6,012.81	1,294.21	1,359.90	1,197.00	0.00	0.00	9,863.92
Secured undisputed	-	-	-	-	-	-	-
Unsecured Undisputed	6,012.81	1,294.21	1,359.90	1,197.00	0.00	0.00	9,863.92
Total Secured	-	-	-	-	-	-	-
Total Unsecured	6,012.81	1,294.21	1,359.90	1,197.00	0.00	0.00	9,863.92

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8 Cash and cash equivalents

	As at 31st March, 2022	As at 31st March, 2021
Cash on hand	5.35	6.69
Balances with Banks		
In current accounts(Refer Note 47)	4,528.10	863.24
Total	**4,533.45**	**869.93**

Refer Note 34 For information on assets pledged as security by the Company

9 Bank Balances other than cash and cash equivalents

	As at 31st March, 2022	As at 31st March, 2021
Fixed deposits with banks	408.53	420.53
Total	**408.53**	**420.53**

10 Loans

	As at 31st March, 2022	As at 31st March, 2021
Loans to related parties (Refer Note 39)	1,009.39	3,000.00
Loans to employees	0.47	0.97
Total	**1,009.86**	**3,000.97**

2021-22

Loan Given to Related Party during the year	Rs in Lakh	Rate of Interest	Terms
Raymond UCO Denim Private Limited	1000.00	8.50%	180 days
Raymond Global Consumer Trading Limited	10.00	8.50%	365 days

2020-21

Loan Given to Related Party during the year	Rs in Lakh	Rate of Interest	Terms
Raymond Apparel Limited	3000.00	8.50%	270 days from date of availing the loan or on demand

11 Other financial assets

	As at 31st March, 2022	As at 31st March, 2021
Unsecured		
Considered good		
Export benefit receivables	141.07	136.14
Interest receivable	83.63	67.66
Derivative financial instruments	89.72	-
Export benefits receivable, considered doubtful	184.93	142.92
Less: Allowance for bad and doubtful assets	(184.93)	(142.92)
Interest Subsidy receivable, considered doubtful	92.24	92.24
Less: Allowance for bad and doubtful assets	(92.24)	(92.24)
Total	**314.42**	**203.80**

12 Other current assets

	As at 31st March, 2022	As at 31st March, 2021
Advances to Suppliers(Refer Note 47)	596.32	499.47
Balances with government authorities, considered good	1,594.60	985.99
Prepaid expenses - Deferred Cost	-	4.96
Prepaid expenses	75.41	45.92
Other advances	30.47	20.48
Advances to Suppliers, considered doubtful	36.13	-
Less: Allowance for bad and doubtful assets	(36.13)	-
Balances with government authorities, considered doubtful	27.54	22.05
Less: Allowance for bad and doubtful assets	(27.54)	(22.05)
Total	**2,296.81**	**1,556.82**

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13 Equity Share capital

	As at 31st March, 2022	As at 31st March, 2021
		(Rs. in lakhs)
Authorised		
4,00,00,000 [31st March, 2021: 4,00,00,000] Equity Shares of Rs.10 each		
1,000,000 [31st March,2021: 1,000,000] Preference Shares of Rs.100 each		
Issued, subscribed and fully paid up		
8,964,300 [31st March, 2021: 8,964,300] Equity Shares of Rs.10 each	896.43	896.43
	896.43	**896.43**

a) **Reconciliation of number of shares**

(Rs. in lakhs)

	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	89,64,300	896.43	89,64,300	896.43
Add: Share Issued during the year	-	-	-	-
Add: Changes in Equity Share Capital due to prior period errors	-	-	-	-
Add : Conversion of preference shares into equity share (Refer note below)	-	-	-	-
Balance at the end of the year	**89,64,300**	**896.43**	**89,64,300**	**896.43**

b) **Rights, preferences and restrictions attached to shares**

Equity shares: The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) **Shares held by Parent and subsidiaries of Parent in aggregate**

	As at 31st March, 2022	As at 31st March, 2021
		(Rs. in lakhs)
Equity Shares of Rs. 10 each held by:		
8,964,300 Equity shares [March 31, 2021: 8,964,300 shares] held by Raymond Limited	89,64,300	89,64,300

d) **Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

	As at 31st March, 2022		As at 31st March, 2021	
	%	No. of Shares	%	No. of Shares
Equity shares held by Raymond Limited	100	89,64,300	100	89,64,300

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14 Other equity

(Rs. in lakhs)

	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Exchange Differences	
Balance as at 31st March, 2020	**566.31**	**3,803.55**	**7,273.60**	**(2,251.70)**	**9,391.76**
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the Period	**566.31**	**3,803.55**	**7,273.60**	**(2,251.70)**	**9,391.76**
Profit for the year	-	-	(1,434.16)	-	(1,434.16)
Exchange differences on translating the financial statements of a foreign operation	-	-		262.27	262.27
Other Comprehensive Income for the year (Re-measurement of defined benefit plans)	-	-	222.96		222.96
	-	-	(1,211.20)	262.27	(948.93)
Balance as at 31st March, 2021	**566.31**	**3,803.55**	**6,062.40**	**(1,989.43)**	**8,442.83**
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the current reporting Period	**566.31**	**3,803.55**	**6,062.40**	**(1,989.43)**	**8,442.83**
Profit for the year	-	-	1,787.64	-	1,787.64
Exchange differences on translating the financial statements of a foreign operation	-	-	-	(788.86)	(788.86)
Other Comprehensive Income for the year (Re-measurement of defined benefit plans)		-	-	(28.71)	(28.71)
	-	-	1,787.64	(817.57)	970.07
Balance as at 31st March, 2022	**566.31**	**3,803.55**	**7,850.04**	**(2,807.00)**	**9,412.90**

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15 Non-Current Borrowings

(Rs. in lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Secured		
Term Loan From banks	1,641.64	4,073.42
	1,641.64	**4,073.42**
Grand Total	**1,641.64**	**4,073.42**

16 Lease Liabilities

	As at 31st March, 2022	As at 31st March, 2021
Lease Liabilities	203.65	57.91
Total	**203.65**	**57.91**

Nature of Security and terms of repayment for Long Term secured

Nature of Security	Terms of Repayment
(i) Term loan amounting to Rs. Nil lakhs (Rs. 202.38 lakhs March 31,2021) which is grouped under Current Borrowings is secured by first and exclusive charge on the moveable assets acquired out of the loan	The loan was repaid on May 2021 . Rate of interest as at year end 9.45% (31st March,2021 :9.95% p.a.)
(ii) Term loan amounting to Rs. 846.00 lakhs (Rs. Nil lakhs March 31,2021) is secured by extension of second ranking charge over existing primary and collateral securities including mortgages created in favour of the Bank and security created over the hypothecated assets.	48 monthly installment after morotorium, payment starting from May 2022. Rate of interest as at year end 7.50% (31st March,2021 :Nil.)
(iii) Term loan amounting to Rs. 4222.84 Lakhs (Rs. 6748.15 Lakhs March 31, 2021) is Secured by way of guarantee from Silver Spark Apparel Limited, India and short fall guaranteed by Raymond Limited, India.	Repayable in 81 installments which is due on various dates and Last installment is due on 19th Dec 2023. Rate of interest as at year end is 2.71% - 3.47% (31st March, 2021 : 2.68% - 2.74%).

Rate of interest is without considering interest subsidy under TUF scheme.

Note: Installment of loans falling due within next twelve months aggregating Rs. 3,427.20 Lakhs (Rs. 2,877.21 Lakhs March 31,2021) have been grouped under current maturities of long term debt. (Refer Note 21)

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17 Other Non-current Liability

	As at 31st March, 2022	As at 31st March, 2021
		(Rs. in lakhs)
Govt. Grant relating to assets	650.42	716.43
Other liabilities	-	8.45
Total	**650.42**	**724.88**

Note:

1) Under the Government Scheme, the Company is entitled to subsidy, on its investment in the property plant and equipment, on fulfilment of the conditions stated in those Scheme. The subsidy being Government Grant is accounted as stated in the Accounting policy on Government Grant (Refer Note 1(z)). The Government Grant shown above represents unamortised amount of the subsidy referred to above, with the corresponding adjustment to the carrying amount of property, plant and equipment.

2) Export Promotion Capital Goods (EPCG) scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant (Refer Note 1(z)). The Government Grant shown above represents unamortised amount of the duty saved referred to above. Export obligation to be fulfilled subsequent to the reporting date, within the period allowed under the Scheme is disclosed in Note 36.

18 Current Borrowings

	As at 31st March, 2022	As at 31st March, 2021
		(Rs. in lakhs)
Secured		
(a) Loans repayable on demand from banks (Secured against first pari-passu charge on Stock, Receivables and Plant & Machinery and Guarantee)	10,495.32	8,352.89
b)Current maturities of long-term debt from banks (Refer Note 40)	3,427.20	2,877.21
Unsecured		
(a) Loan repayable on demand from bank	-	
(b) Loan repayable on demand from related parties [Refer note 39]	(0.00)	1,000.00
Total	**13,922.52**	**12,230.10**

The carrying amount of financial and non-financial assets as security for secured borrowings are disclosed in Note 34

19 Lease Liabilities

	As at 31st March, 2022	As at 31st March, 2021
		(Rs. in lakhs)
Lease Liabilities	312.07	124.03
Total	**312.07**	**124.03**

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20 Trade payables

(Rs. in lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Trade payables* [Refer note (a) below]		
Amounts due to Small enterprise and micro enterprise	195.59	121.92
Amounts due to related parties [Refer note 39]	16,575.01	10,735.97
Others [Refer note 47]	9,564.28	5,354.65
Total	**26,334.88**	**16,212.54**

*Includes Provision for Expenses

2021-22	Not due	Less than 1 year	1- 2 year	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
Related Parties	3,880.25	10,891.62	1,105.50	345.95	351.69	16,575.01
MSME	70.39	123.15	2.05	-	-	195.59
Others	2,809.25	6,402.44	128.04	138.00	86.54	9,564.28
Net undisputed(b)	**6,759.89**	**17,417.21**	**1,235.59**	**483.96**	**438.23**	**26,334.88**
Total (a+b)	**6,759.89**	**17,417.21**	**1,235.59**	**483.96**	**438.23**	**26,334.88**

2020-21	Not due	Less than 1 year	1- 2 year	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
Related Parties	1,598.86	4,982.65	3,663.70	490.76	-	10,735.97
MSME	24.88	93.61	3.43	-	-	121.92
Others	1,707.70	3,301.95	163.62	51.22	130.16	5,354.65
Net undisputed(b)	**3,331.44**	**8,378.22**	**3,830.75**	**541.98**	**130.16**	**16,212.54**
Total (a+b)	**3,331.44**	**8,378.22**	**3,830.75**	**541.98**	**130.16**	**16,212.54**

Refer note 40 for information about liquidity risk and market risk of trade payables

(a) Dues to Small enterprise and micro enterprise

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006

(Rs. in lakhs)

	As at 31st March, 2022	As at 31st March, 2021
a) The principal amount remaining unpaid to any supplier at the end of the year	195.59	121.92
b) Interest due remaining unpaid to any supplier at the end of the year	23.10	5.28
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	28.38	5.28
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

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21 Other financial liabilities

(Rs. in lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Interest accrued but not due on borrowings	31.35	93.77
Salary and Wages payable	3,813.29	3,252.79
Derivative financial instruments	-	11.13
Payable to related parties [Refer note 39]	1,637.41	1,054.41
Capital Creditors	76.83	74.23
Total	**5,558.88**	**4,486.33**

22 Other Current Liabilities

(Rs. in lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Advance from customers(Refer Note 47)	117.60	27.77
Statutory Dues	255.94	93.52
Govt Grant relating to assets	68.70	71.39
Total	**442.24**	**192.68**

23 Provisions

(Rs. in lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Provision for Gratuity [Refer Note 38]	927.89	656.76
Provision for Leave Entitlement	429.04	399.08
Total	**1,356.93**	**1,055.84**

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24 Revenue from Operations

(Rs. in lakhs)

	Year ended 31st March, 2022	Year ended 31st March, 2021
Sale of Products		
Manufactured & Traded goods	57,079.90	42,945.57
Sales of Services		
(i) Job Work	4,669.09	3,092.82
Other operating revenue		
(i) Export Incentives, etc	620.37	613.63
(ii) Process waste sale	35.20	13.59
Total	**62,404.56**	**46,665.61**

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price :

	Year ended 31st March, 2022	Year ended 31St March, 2021
Contract Price	62,404.56	46,665.61
Less :		
Performance linked incentives / Discounts	-	-
	62,404.56	**46,665.61**

25 Other income

	Year ended 31st March, 2022	Year ended 31St March, 2021
Interest income	331.78	127.81
Other Income(Subsidy towards wages)	223.10	-
Profit on sale of fixed asset	113.73	-
Gain Loss on Termination / Modification of Lease	-	106.97
Excess Provision written Back	219.09	203.85
Government Grant	68.71	67.36
Other non-operating income	7.14	0.50
Exchange Fluctuation - Others	734.13	-
Recovery of Bad Debts	137.35	-
Profit on sale of Investment	-	375.11
Total	**1,835.03**	**881.60**

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26 Cost of materials consumed

	Year ended 31st March, 2022	Year ended 31St March, 2021
Raw materials consumed		
Opening Stock	4,780.46	7,926.13
Purchases	39,484.70	19,800.75
Less : Closing Stock	9,718.36	4,780.46
Total	**34,546.80**	**22,946.42**

27 Purchase of Stock in Trade	Year ended 31st March, 2022	Year ended 31St March, 2021
Purchase of Stock in Trade	1,075.52	109.29
Total	**1,075.52**	**109.29**

28 Changes in inventories of finished goods, Stock-in-Trade and work-in progress

	Year ended 31st March, 2022	Year ended 31St March, 2021
Opening inventories		
Finished goods	4,390.51	5,860.99
Work-in-progress	134.80	194.36
Accumulated cost of conversion contracts	389.76	237.09
	4,915.07	**6,292.44**
Closing inventories		
Finished goods	5,104.88	4,390.51
Work-in-progress	197.18	134.80
Accumulated cost of conversion contracts	150.26	389.76
	5,452.32	**4,915.07**
Total	**(537.26)**	**1,377.37**

29 Employee benefits expense

	Year ended 31st March, 2022	Year ended 31St March, 2021
Salaries and wages	11,763.17	10,589.92
Contribution to provident funds and other funds	819.70	707.44
Defined benefit plan expense [Refer note 38]	244.85	358.94
Workmen and Staff welfare expenses	820.68	469.39
Total	**13,648.40**	**12,125.69**

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30 Finance costs

	Year ended 31st March, 2022	Year ended 31St March, 2021
Interest expense on Term Loans (Net of interest subsidy under TUF Scheme of Rs.Nil Lakhs (Previous year Nil Lakhs))	214.96	267.09
Interest expense on bank overdraft/ short term borrowings	654.57	678.97
Interest on Lease Liability	57.18	42.97
Other borrowing costs	23.84	16.06
Total	**950.55**	**1,005.09**

31 **Depreciation and amortization expense**

	Year ended 31st March, 2022	Year ended 31St March, 2021
Depreciation on Property, Plant and Equipment [Refer note 2A]	1,492.11	1,776.40
Amortization on Intangible assets [Refer note 3]	263.58	242.47
Depreciation on Right of use Assets [Refer note 2B]	375.79	213.73
Total	**2,131.48**	**2,232.60**

32 **Other Expenses**

32A. Manufacturing and Operating Costs

	Year ended 31st March, 2022	Year ended 31St March, 2021
Consumption of stores and spare parts	1,175.12	612.83
Power and fuel	580.20	437.99
Job work charges	204.89	32.51
Repairs to buildings	195.82	109.42
Repairs to machinery	186.06	67.07
Other Manufacturing and Operating expenses	935.42	768.63
Total	**3,277.51**	**2,028.45**

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32B. Other expenses

		Year ended 31st March, 2022	Year ended 31St March, 2021
Rent (Refer note 37)		53.38	189.72
Insurance		151.60	229.94
Repairs & Maintainence Others		12.42	1.21
Rates and Taxes		178.05	77.58
Commission to selling agents		991.98	560.84
Freight, Octroi, etc		2,174.10	807.21
Legal and Professional Expenses		425.88	433.50
Travelling & Conveyance		229.96	26.87
Director Fees		1.00	2.50
Exchange Fluctuation - Others		-	267.41
Loss on sale of assets		-	98.03
Expenditure toward Corporate Social Responsibility (CSR) activities		23.01	135.00
Security Charges		256.25	283.03
IT Outsource Cost		61.06	60.77
Export Benefit receivable Written Off in current year		-	1,571.92
Provision for Export Benefits receivable		42.01	142.92
Provision for Interest subsidy receivable		-	92.24
Corporate facility charges		620.00	455.67
Bad Debts/Advances/Claims written off	92.79		-
Less: Previous years Provision written back	61.93		-
Bad Debts/Advances/Claims Written Off in current year		30.86	-
Provision for doubtful debts		117.30	277.73
Provision for doubtful assets		41.95	-
Miscellaneous Expenses		2,171.50	1,175.00
Total		**7,582.31**	**6,889.09**

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33 Income Taxes

Tax expense recognised in the Statement of Profit and Loss

(Rs. in lakhs)

	Year ended 31st March, 2022	Year ended 31st March, 2021
Current tax		
Current year	94.97	10.55
Total current tax	**94.97**	**10.55**
Deferred tax		
Origination and reversal of temporary difference	(318.33)	(217.14)
Change in tax rates	-	-
Total deferred income tax expense/(credit)	**(318.33)**	**(217.14)**
Total income tax expense/(credit)	**(223.36)**	**(206.59)**

A reconciliation between the statutory income tax rate applicable to the

(Rs. in lakhs)

Reconciliation of effective tax rate	Year ended 31st March, 2022	Year ended 31st March, 2021
Profit before Tax	1,564.28	(1,640.75)
Enacted income tax rate in India	25.170%	25.170%
Income tax expenses as per enacted rate	393.73	(412.98)
Differences due to:		
Income not considered for tax purpose	(18.30)	(65.98)
Profit/Loss of subsidiary on which deferred tax asset is not recognised	(192.67)	220.18
Profit/Loss of subsidiary on which deferred tax asset is recognised	(445.78)	
Stock reserve on inter company transactions	-	-
Reversal of excess asset created on tax loss	10.77	-
Share issuance expenses	-	-
Expenses not deductable for tax purpose	28.89	52.19
	(223.37)	**(206.59)**
Effective tax rate	**-14.28%**	**12.59%**

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The movement in deferred tax assets and liabilities during the year ended March 31, 2021 and March 31, 2022:

Movement of Deferred Tax Liabilities during the year ended March 31, 2021 and March 31, 2022:

(Rs. in lakhs)

Particulars	As at 31st March, 2021	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2022
Provision for post retirement benefits and other employee benefits	405.33	7.54	-	412.87
Provision for doubtful debts and advances	70.90	49.63	-	120.53
Deferred tax on acquisition of R&A Logistics INC.	11.76			11.76
Expenses allowable for tax purposes when paid	256.15	68.24	-	324.39
Carried Forward losses	(283.96)	(121.16)		(405.12)
Temporary difference in Leases	(50.15)	3.32	-	(46.83)
Depreciation	(1,468.84)	5.39	-	(1,463.45)
Loss on sale of Fixed assets	24.67	-		24.67
Creation of Deferred tax asset on R&A Logistics INC Loss	-	305.37	3.41	308.78
Fair value gains/losses	329.03	-	-	329.03
	(705.11)	318.33	3.41	(383.36)

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34 Assets Pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are: (Rs. in lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Current Assets		
Cash and cash equivalents	1,762.10	34.29
Receivables	16,373.25	9,544.01
Inventories	14,407.85	8,796.93
Total Current assets pledged as security	**32,543.20**	**18,375.23**
Non-Current Assets		
Movable Assets		
Plant and Machinery	10,210.00	10,982.36
Furniture & fixtures	47.20	61.85
Vehicles	60.77	221.76
Office equipment	19.86	21.16
Total non-current assets pledged as security	**10,337.83**	**11,287.13**
Total assets pledged as security	**42,881.03**	**29,662.36**

35 Contingent liabilities and commitments (to the extent not provided for)

(Rs. in lakhs)

	As at 31st March, 2022	As at 31st March, 2021
i) Contingent Liabilities		
Claims against the Group not acknowledged as debts in respect of past disputed liabilities.		
(a) ESIC	8.36	8.36
(b) Disputed Excise/Custom Duty	293.82	293.82
(c) Disputed demands in respect of Income-tax, etc. (Interest thereon not ascertainable at present) #	21.95	66.73
	324.13	368.91

The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under any law/ applicable accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

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The Group has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

Future Cash Flows in respect of above are determinable only on receipt of judgements/decision pending with various authorities/forum.
The income tax authorities carried out search and seizure operations on the premises of the Company in the financial year 2011-12. On the basis of notice received under section 153 A of the IT Act, 1961, the Company had submitted returns of income and also provided the necessary details / informations.

The company has filed appeal with ITAT for Assessment Year 2009-10 to 2014-15, for the demand of disallowances of depreciation and related expenses to the extent of Rs. 13.73 lakhs and company has filed appeal with CIT for Assessment Year 2017-18 of Rs. 8.22 Lakhs

The Group did not have any contingent assets as at the year end.

36 Commitments

(a) Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

		(Rs. in lakhs)
	As at 31st March, 2022	**As at 31st March, 2021**
Property, plant and equipment	45.17	45.06
	45.17	**45.06**
Less: Capital advances	8.82	9.33
Net Capital commitments	**36.35**	**35.73**

(b) Other Commitments

Guarantees given by the Company's Bankers / Bonds / Letter of Undertaking executed by the Company to Government Authorities for purchase under concessional duty / exemption scheme in respect of (net of obligation fulfilled):		
- Capital Goods	714.73	754.31
- Raw Materials	24,266.59	11,519.04
Total Other Commitments	**24,981.32**	**12,273.35**
Total Commitments	**25,017.67**	**12,309.08**

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37 Lease

(Rs. in Lakhs)

1 The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	Amount
Short-term leases	714.42
Leases of low value assets	-
Variable lease payments	-
Total	**714.42**

2 Additional profit or loss and cash flow information

Particulars	2021-22	2020-21
Total cash outflow in respect of leases in the year	417.47	260.68

3 Carrying amounts of lease liabilities and the movements during the year:	2021-22	2020-21
Opening Balance	181.94	755.42
Additions	694.07	249.27
Deletions	-	(605.05)
Accretion of interest	57.18	42.98
Payments	(417.47)	(260.68)
Closing Balance	515.72	181.94
Current	312.07	124.03
Non-current	203.65	57.91

4 The undiscounted maturity analysis of lease liabilities at 31 March 2022 is as follows:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Lease payments	Finance Charge	Lease payments	Finance Charge
Within1 year	341.55	29.48	239.40	11.62
1-2years	201.39	9.00	102.85	3.04
2-3years	11.50	0.25	-	-
3-4years	-	-	-	-
4-5years	-	-	-	-
5-10years	-	-	-	-
10-25years	-	-	-	-
Over 25years	-	-	-	-
Total	**554.44**	**38.72**	**342.25**	**14.66**

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38 Post retirement benefit plans

As per Actuarial Valuation as on 31st March, 2022 and 31st March, 2021 and recognised in the financial statements in respect of Employee Benefit Schemes (Gratuity):

A. Defined contribution plan:

The Group has defined contribution plan. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual or constructive obligation. The expense recognised during the year towards defined contribution plan is Rs 819.70 Lakhs (31st March 2021: Rs 707.44 Lakhs).

B. Balance Sheet

(Rs. in lakhs)

	Defined benefit plans	
	As at 31st March, 2022	As at 31st March, 2021
Present value of plan liabilities	1,041.03	926.52
Fair value of plan assets	113.15	269.76
Plan liability net of plan assets	927.88	656.76

C. Movements in plan assets and plan liabilities

(Rs. in lakhs)

	Year ended 31st March, 2022		Year ended 31st March, 2021	
	Plan Assets	Plan liabilities	Plan Assets	Plan liabilities
As at 1st April	269.76	926.52	443.45	1,079.92
Current service cost	-	202.22	-	317.16
Obligation taken over during the year	-	-	-	-
Return on plan assets excluding amounts included in net	(3.52)	-	(10.50)	-
Difference in fair value of plan assets	-	-	-	-
Interest cost	17.51	60.13	29.09	70.87
Actuarial (gain)/loss arising from changes in demographic assumptions	-	0.14	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	(30.37)	-	(53.61)
Actuarial (gain)/loss arising from experience adjustments	-	65.08	-	(254.84)
Employer contributions	-		5.00	
Transferred In/Acquisitions				
Benefit paid directly by the employer	-	(12.09)	-	(35.69)
Benefit payments	(170.60)	(170.60)	(197.28)	(197.27)
As at 31st March	113.15	1,041.02	269.76	926.52

The liabilities are based as per the plan participants as follows:
The weighted average duration of the defined benefit plans is 10 years (2020-21 : 10 Years)
The expected contribution to the funded plans in financial year 2021-22 : 688.27 Lacs (2021-22 : 481.38 Lacs)

D. Statement of Profit and Loss

(Rs. in lakhs)

	Year ended 31st March, 2022	Year ended 31st March, 2021
Employee Benefit Expenses:		
Current service cost	202.22	317.16
Total	202.22	317.16
Finance cost/(income)	42.62	41.78
Net impact on the Profit / (Loss) before tax	244.84	358.94
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	(3.52)	(10.50)
Actuarial (gain)/loss arising from changes in demographic assumptions	(0.14)	
Actuarial gains/(losses) arising from changes in financial assumptions	30.37	(5.42)
Experience gains/(losses) arising on pension plan and other benefit plan liabilities	(65.08)	313.88
Net impact on the Other Comprehensive Income before tax	(38.37)	297.96

E. Assets

(Rs. in lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Unquoted		
Insurer managed funds	113.15	269.76
Total	113.15	269.76

F. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date
The significant actuarial assumptions were as follows:

	As at 31st March, 2022	As at 31st March, 2021
Financial Assumptions		
Discount rate	6.84%	6.49%
Salary Escalation Rate	3% - 7.50%	0% - 7.50%

G. Sensitivity

(Rs. in lakhs)

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:	Year ended 31st March, 2022			Year ended 31st March 2021		
	Change in assumption	Increase in assumption by 1%	Decrease in assumption by 1%	Change in assumption	Increase in assumption by 1%	Decrease in assumption by 1%
Discount rate	1%	(78.82)	91.10	1%	(72.36)	84.05
Salary Escalation Rate	1%	87.55	(78.14)	1%	32.19	(64.85)
Attrition Rate	1%	(9.77)	10.42	1%	(10.34)	11.25

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period

H. The defined benefit obligations shall mature after year end 31st March, 2022 as follows:

(Rs. in lakhs)

Year ending 31 March,	Defined benefit obligation	
	As at 31st March, 2022	As at 31st March, 2021
1st following year	73.41	64.68
2nd following year	80.58	68.49
3rd following year	82.92	75.70
4th following year	96.83	76.24
5th following year	89.80	86.50
Thereafter	428.92	367.20

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39 Related Party Disclosures as per Ind As-24

	Ownership Interest 31st March 2022
1. Relationship	
a) Holding Company	
Raymond Limited.	100%

b) Fellow subsidiary Companies with whom transactions have taken place during the year :
Raymond Apparel Limited
Celebrations Apparel Limited
Everblue Apparel Limited
Raymond (Europe) Limited
Raymond Luxury Cottons Limited.

c) Key Management Personnel and their enterprises where transactions have taken place:
Avani Agricultural Farms Private Limited
Shri Gautam Hari Singhania(resigned wef 08.02.2021)
Shri Vipin Agarwal(resigned wef 16.10.2020)
Shri Harishkumar Hariprasad Chatterjee(wef 12.09.2020)
Shri Krishnan Ashwath Narayan(wef 08.02.2021)
Shri Ram Krishna Bhatnagar resigned w.e.f. 03.05.2021
Smt. Rashmi Mundada

d) Joint Venture of holding company with whom transactions have taken place during the year :
Raymond UCO Denim Private Limited

e) Associate of holding company with whom transactions have taken place during the year :
Ray Global Consumer Trading Limited
JK Investo Trade(India) Limited

f) Other Significant influences with whom transactions have taken place during the year :
JK Investor (Bombay) Limited

g) Trust
Silver Spark Apparel Limited Employees Gratuity Fund
Smt. Sulochanadevi Singhania School Trust

List of subsidiaries included in consolidation-
Name
1. Silver Spark Apparel Limited- India
2. Dress Master Apparel Private Limited- India(ceased to be subsidiary wef 2nd December 2020)
3. Silver Spark Middle East (FZE) - The United Arab Emirates
4. Silver Spark Apparel Ethiopia PLC - Ethiopia
5. R & A Logistics, INC (w.e.f. 31st August, 2018) - The United States of America

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2. Transactions carried out with related parties referred in 1 above, in ordinary course of business:

(Rs. In Lakhs)

Nature of Transactions	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above	Referred in 1 (d) above	Referred in 1 (e) above	Referred in 1 (f) above	Referred in 1 (g) above
Income							
Job Work charges							
Raymond Limited	392.92						
	(222.40)	-					-
Raymond Apparel Limited		-					
		-					
Raymond (Europe) Limited		225.24					
		(475.82)					
Sales							
Raymond Limited	0.52						
	-						
Raymond (Europe) Limited		6341.12					
		(1886.67)					
Raymond Apparel Limited		1371.66					
		(968.48)					
Celebrations Apparel Limited		-					
		(14.54)					
Everblue Apparel Limited		2.45					
		(10.62)					
Compensation for rejection							
Raymond (Europe) Limited		-					
		(5.78)					
Export Script Sales							
Raymond Limited	126.75						
	(26.98)	-	-				-
Sale of Fixed Assets		-					
JK Investor (Bombay) Limited		-				213.00	
						-	
Other Income							
JK Investor (Bombay) Limited						4.26	
						-	
Others reimbursement							
Raymond Limited	13.74						
	(11.49)						
Celebrations Apparel Limited		-					
		-					
Raymond Apparel Limited		-					
		(0.08)					
Raymond Luxury Cottons Limited.		40.99					
		-					
Raymond (Europe) Limited		19.52					
		-					
	-	-	-				-
Purchase							
Raymond Limited	12,746.54						
	(3,196.19)						
Raymond Apparel Limited		4.00					
		-					
Raymond Luxury Cottons Limited.		1358.78					
		(1159.34)					
Celebrations Apparel Limited		-					
		(0.01)					
Everblue Apparel Limited		-					
		(6.34)					
Raymond UCO Denim Private Limited				62.22			
				(0.07)			
	-						

Nature of Transactions	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above	Referred in 1 (d) above	Referred in 1 (e) above	Referred in 1 (f) above	Referred in 1 (g) above
Expenses							
Rent							
Raymond Limited	180 00 (35 88)						
Avani Agricultural Farms Private Limited			- (37 80)				
Celebrations Apparel Limited		102.69 (102 69)					
Job Work charges							
Everblue Apparel Limited		- (0 12)					
Commission							
Raymond (Europe) Limited		461 15 (153 24)					
Compensation for rejection							
Corporate facility expenses							
Raymond Limited	620 00 (455 67)						
Others reimbursement							
Raymond Limited	369 91 (106 59)						
Motor Vehicle Repair							
JK Investor Bombay Limited						23 55 (3 59)	
Deputation of staff							
Raymond Limited	98 05						
Directors sitting fees:							
Gautam Hari Singhania							
R.A.Prabhudesai			(1 00)				
R.Narayanan							
Rashmi Mundada			1 00 (1 50)				
Paid to Trust - Smt. Sulochanadevi Singhania School Trust							12 26 (53 00)
Paid to Trust - Employees Gratuity Fund contribution							- (31 48)
Finance							
Advances repaid							
Raymond (Europe) Ltd		132.67					
Unsecured Loan taken							
JK Investor Bombay Limited						- (1000.00)	
JK Investo Trade(India) Limited					1500 00		
Unsecured Loan repaid							
Raymond Limited	- (966.33)						
Ring Plus Aqua Limited		- (1500.00)					
Unsecured Loan given							
Raymond Apparel Limited		- (3000 00)					
Raymond UCO Denim Private Limited				1000.00			
Ray Global Consumer Trading Limited					10 00		
Unsecured Loan Repaid by							
Raymond Apparel Limited		3000.00					
JK Investor (Bombay) Limited						1000.00	
JK Investo Trade(India) Limited					1500 00		
Interest Expense							
Raymond Limited	- (8 17)						
Ring Plus Aqua Limited		- (85 58)					
JK Investor Bombay Limited						71.26 (8.15)	
JK Investo Trade(India) Limited					86.75		
Interest Earned							
Raymond Apparel Limited		125 05 (10 48)					
Raymond UCO Denim Private Limited				43 08			
Ray Global Consumer Trading Limited					0.07		

Previous year's figures are in bracket.

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(Rs. In Lakhs)

	31st March'22	31st March'21
Outstandings :		
Payable		
Holding Company		
Raymond Limited	15,804.74	10,015.85
Fellow Subsidiaries		
Raymond (Europe) Limited	422.87	97.58
Celebrations Apparel Limited	-	28.35
Raymond Apparel Limited	-	0.03
Everblue Apparel Limited	-	-
Raymond Luxury Cottons Limited.	312.92	589.99
Other Significant influences		
JK Investor Bombay Limited	2.18	4.10
Joint Venture of holding company		
Raymond UCO Denim Private Limited	40.53	0.07
Other Payable		
Holding Company		
Raymond Limited	1296.29	688.23
Fellow Subsidiaries		
Celebrations Apparel Limited	151.59	55.45
Receivable		
Holding Company		
Raymond Limited	612.93	136.23
Fellow Subsidiaries		
Raymond (Europe) Limited	2165.55	383.75
Raymond Apparel Limited	169.46	2615.94
Interest Receivable		
Associate of holding company		
Ray Global Consumer Trading Limited	0.06	-
Joint Venture of holding company		
Raymond UCO Denim Private Limited	6.50	-
Interest Payable		
Other Significant influences		
JK Investor Bombay Limited	-	7.54
Loans taken		
Other Significant influences		
JK Investor Bombay Limited	-	1000.00
Loans Given		
Fellow Subsidiaries		
Raymond Apparel Limited	-	3000.00
Associate of holding company		
Ray Global Consumer Trading Limited	10.00	-
Joint Venture of holding company		
Raymond UCO Denim Private Limited	1000.00	-
Advances received		
Fellow Subsidiaries		
Raymond (Europe) Limited	189.53	310.72
Deposit Given		
Key Management Personnel and their enterprises		
Avani Agricultural Farms Private Limited (till 08.02.2021)	-	50.00
Fellow Subsidiaries		
Celebrations Apparel Limited	51.34	51.34

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40 Financial risk management objectives and policies

The groups financial risk management is an integral part of how to plan and execute its business strategies. The groups financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

The group manages market risk through a treasury departments, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

(Rs. in lakhs)

Particulars	As at 31st March'22	As at 31st March'21
Borrowings bearing variable rate of interest	15,564.16	16,303.52

Interest rate sensitivity

A change of 50 bps in interest rates would have following impact on profit before tax

(Rs. in lakhs)

	2021-2022	2020-2021
50 bp increase- decrease in profits	(77.82)	(81.52)
50 bp decrease- Increase in profits	77.82	81.52

Market Risk- Foreign currency risk.

The Group operates internationally and portion of the business is transacted in several currencies and consequently the group is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

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Derivative instruments and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date

(Foreign Currency in lakhs)

Particulars	As at 31st March,2022		As at 31st March,2021	
Forward contracts to sell USD	USD	52.69	USD	24.18
Forward contracts to sell EUR	EUR	-	EUR	-
Forward contracts to sell GBP	GBP	14.98	GBP	9.04
Forward contracts to sell EUR/USD	EUR	-	EUR	-
Forward contracts to sell GBP/USD	GBP	-	GBP	-

(b) Particulars of unhedged foreign currency exposures as at the reporting date:

As at 31st March, 2022

(Foreign Currency in lakhs)

Particulars	USD	EURO	HKD	JPY	GBP	AED
Trade payables	97.68	0.34	-	108.15	1.19	7.29
Trade receivable	134.59	10.33	-	294.60	2.05	-

As at 31st March, 2021

(Foreign Currency in lakhs)

Particulars	USD	EURO	HKD	JPY	GBP	SGD
Trade payables	51.98	1.39	-	49.88	1.08	12.00
Trade receivable	34.31	11.07	-	374.35	-	-

Foreign Currency Risk Sensitivity

A change of 1% in Foreign currency would have following Impact on profit before tax

(Rs. in lakhs)

	2021-2022		2020-2021	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	27.98	(27.98)	8.79	(8.79)
EURO	8.46	(8.46)	8.20	(8.20)
HKD	-	-	-	-
JPY	1.16	(1.16)	2.15	(2.15)
GBP	0.86	(0.86)	(1.09)	1.09
AED	(1.50)	1.50	(2.39)	2.39
SGD	-	-	-	-
Increase / (decrease) in profit or loss	36.96	(36.96)	15.66	(15.66)

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Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.
The group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:
i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the operating results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the group. The group categorizes a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the group continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

Ageing of Account receivables

(Rs. in lakhs)

	As at 31st March'22	As at 31st March'21
Not due	9,671.84	6,012.81
0-3 months	3,194.41	951.65
3-6 months	141.72	342.57
6 months to 12 months	59.21	1,359.90
beyond 12 months	202.31	1,197.01
Total	13,269.49	9,863.94

Movement in provisions of doubtful debts

(Rs. in lakhs)

	As at 31st March'22	As at 31st March'21
Opening provision	291.49	13.76
Add:- Additional provision made	117.30	277.73
Less:- Provision write off/ reversed	(61.93)	-
Less:- Recovery of Bad debts	(137.35)	-
Closing provisions	209.51	291.49

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SILVER SPARK APPAREL LTD. ★ Yelahanka New Town ★ Bangalore-560064

Liquidity Risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time, or at a reasonable price. The group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity patterns of borrowings

(Rs. in lakhs)

	As at 31st March'22			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long tern debt)	3,427.20	1,641.64	-	5,068.84
Short term borrowings	10,495.32	-	-	10,495.32
Expected Interest payable	130.27	69.46	-	199.73
Total	14,052.79	1,711.10	-	15,763.89

(Rs. in lakhs)

	As at 31st March'21			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long tern debt)	2,877.21	4,073.42	-	6,950.63
Short term borrowings	9,352.89	-	-	9,352.89
Expected Interest payable	91.82	12.61	-	104.43
Total	12,321.92	4,086.03	-	16,407.95

Maturity patterns of other Financial Liabilities

As at 31st March'22

(Rs. in lakhs)

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	19,574.99	6,755.15	4.74	-	-	26,334.88
Lease liabilities	-	122.53	113.42	76.14	203.63	515.72
Other Financial liability (Current and Non Current)	336.22	4,222.51	-	1,000.15	-	5,558.88
Total	19,911.21	11,100.19	118.16	1,076.29	203.63	32,409.48

As at 31st March'21

(Rs. in lakhs)

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	12,999.39	2,987.66	130.67	94.82	-	16,212.54
Lease liabilities	-	29.59	24.40	46.46	81.49	181.94
Other Financial liability (Current and Non Current)	1,196.87	2,077.08	-	1,138.15	-	4,412.10
Total	12,497.84	6,123.30	155.07	1,279.43	81.49	20,137.13

CHATURVEDI & ... MUMBAI CHARTERED ACCOUNTANTS

SILVER SPARK APPAREL LTD. Yelahanka New Town Bangalore-560064

41 Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are 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:
1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

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

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(Rs. in lakhs)

Financial Assets and Liabilities as at 31st March'2022				Routed through P & L				Routed through OCI				Carrying at amortised cost	Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets													
Trade Receivables	-	13,269.49	13,269.49	-	-	-	-	-	-	-	-	13,269.49	13,269.49
Cash and cash equivalents	-	4,533.45	4,533.45	-	-	-	-	-	-	-	-	4,533.45	4,533.45
Bank Balances other than Cash and Cash Equivalents	-	408.53	408.53	-	-	-	-	-	-	-	-	408.53	408.53
Loans	-	1,009.86	1,009.86	-	-	-	-	-	-	-	-	1,009.86	1,009.86
Other financial asset	743.15	224.70	967.85	-	-	308.22	308.22	-	-	-	-	659.63	967.85
Mark to market on derivative financial instruments*	-	89.72	89.72	-	89.72	-	89.72	-	-	-	-	-	89.72
	743.15	19,535.75	20,278.90	-	89.72	308.22	397.94	-	-	-	-	19,880.96	20,278.90
Financial Liabilities													
Borrowings	1,641.64	13,922.52	15,564.16	-	-	-	-	-	-	-	-	15,564.16	15,564.16
Trade Payables	-	26,334.88	26,334.88	-	-	-	-	-	-	-	-	26,334.88	26,334.88
Other Financial Liabilities	-	5,482.05	5,482.05	-	-	-	-	-	-	-	-	5,482.05	5,482.05
Mark to market on derivative financial instruments*	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Creditors		76.83	76.83									76.83	76.83
	1,641.64	45,816.28	47,457.92	-	-	-	-	-	-	-	-	47,457.92	47,457.92

(Rs. in lakhs)

Financial Assets and Liabilities as at 31st March'2021	Non Current	Current	Total	Routed through P & L Level 1	Routed through P & L Level 2	Routed through P & L Level 3	Routed through P & L Total	Routed through OCI Level 1	Routed through OCI Level 2	Routed through OCI Level 3	Routed through OCI Total	Carrying at amortised cost	Total Amount
Financial Assets													
Trade Receivables	-	9,120.23	9,120.23	-	-	-	-	-	-	-	-	9,120.23	9,120.23
Cash and cash equivalents	-	869.93	869.93	-	-	-	-	-	-	-	-	869.93	869.93
Bank Balances other than Cash and Cash Equivalents	-	420.53	420.53	-	-	-	-	-	-	-	-	420.53	420.53
Loans	-	3,000.97	3,000.97	-	-	-	-	-	-	-	-	3,000.97	3,000.97
Other financial asset	840.23	203.80	1,044.03	-	-	295.76	295.76	-	-	-	-	748.27	1,044.03
												-	-
	840.23	13,615.46	14,455.69	-	-	295.76	295.76	-	-	-	-	14,159.93	14,455.69
Financial Liabilities													
Borrowings	4,073.42	9,352.89	13,426.31	-	-	-	-	-	-	-	-	13,426.31	13,426.31
Trade Payables	-	16,294.32	16,294.32	-	-	-	-	-	-	-	-	16,294.32	16,294.32
Other Financial Liabilities	-	6,469.66	6,469.66	-	-	-	-	-	-	-	-	6,469.66	6,469.66
Mark to market on derivative financial in	-	11.13	11.13	-	11.13	-	11.13	-	-	-	-	-	11.13
Capital Creditors		74.23	74.23									74.23	74.23
	4,073.42	32,202.23	36,275.65	-	11.13	-	11.13	-	-	-	-	36,264.52	36,275.65

* Fair value has been considered based on confirmation from bank

Fair value of financial assets and liabilities measured at amortised cost -

Financial Assets and Liabilities	As at 31st March, 2022		As at 31st March, 2021	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Trade Receivables	13,269.49	13,269.49	9,120.23	9,120.23
Cash and cash equivalents	4,533.45	4,533.45	869.93	869.93
Bank Balances other than Cash and Cash Equivalents	408.53	408.53	420.53	420.53
Loans	1,009.86	1,009.86	3,000.97	3,000.97
Other financial asset	659.63	659.63	748.27	748.27
	19,880.96	19,880.96	14,159.93	14,159.93
Financial Liabilities				
Borrowings	15,564.16	15,564.16	13,426.31	13,426.31
Trade Payables	26,334.88	26,334.88	16,294.32	16,294.32
Other Financial Liabilities	5,558.88	5,558.88	6,543.89	6,543.89
	47,457.92	47,457.92	36,264.52	36,264.52

Note - The carrying amounts of trade receivables, trade payables, capital cred tors and cash and cash equivalents are considered to be the same as their fair values, due to their short term nature

42 Capital risk management

The Group aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.
The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

43 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity and net debt includes interest bearing loans and borrowings less current investments, cash and cash equivalents, other bank balances and interest accrued on current investments. The primary objective of the Grouop's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.
The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt, excluding discontinued operation.

In order to achieve this overall objective, the Group'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.

	Year ended 31st March, 2022	Year ended 31st March, 2021
Long term borrowings	1,641.64	4,073.42
Short term borrowings (Including current maturities of Long term borrowing)	13,922.52	12,230.10
Less : Cash and cash equivalents	4,533.45	869.93
Less : Bank balances other than cash and cash equivalents	408.53	420.53
Less : Current investments	-	-
Less : Interest receivable on current investments	-	-
Net debt	10,622.18	15,013.06
Total equity	10,309.33	9,339.26
Gearing ratio	1.03	1.61

To maintain or adjust the capital structure, the Group review the fund management at regular intervals and take necessary actions to maintain the requisite capital structure.
No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

CHATURVEDI & SHAH LLP MUMBAI CHARTERED ACCOUNTANTS

SILVER SPARK APPAREL LTD. Yelahanka New Town Bangalore-560064

44 Segment Information

The Group's business activity falls within a single primary business segment of manufacture of trousers and jackets. Accordingly, the group is a single segment group in accordance with Indian Accounting Standard 108 "Operating Segment". The Group has disclosed the segment information based on the location of customer and asset.

Summary of Segment Revenue and Segment assets

(Rs. in lakhs)

Particulars	India		Rest of the world		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Segment Revenue *	4,906.94	7,087.83	57,497.62	39,577.78	62,404.56	46,665.61
Carrying cost of total segment assets**	35,485.71	33,153.87	25,630.24	16,048.23	61,115.95	49,202.10
Carrying cost of segment Non Current assets**@	13,351.91	14,726.78	6,737.69	6,929.65	20,089.60	21,656.43
Additions to Property, plant and equipments including Intangible Assets**	94.43	681.08	11.69	143.96	106.12	825.04

* Based on location of Customers

** Based on location of Assets

@ Excluding Financial Assets, Investments accounted for using equity method and deferred tax asset.

Further the company meets the quantitative threshold as mentioned in Ind AS 108 and hence separate information has been disclosed below.

Reporting of Customers contributing to revenue more then 10%.

(Rs. in lakhs)

Name of Customer	Revenue	
	31st March, 2022	31st March, 2021
HLL Lifecare Ltd	-	5,048.29
LI & FUNG Trading (Express)	14,530.67	8,265.65
ETHIOPIAN PHARMACEUTICALS	-	1,377.70
Ministry of Education	-	1,432.10
Tailored Brands Worldwide Purchasing Co	4,392.49	3,175.26
JCpenney Purchasing Corparation	6,803.05	4,448.92
TMW Merchants LLC	12,366.41	-
Raymond (Europe) Limited	6,566.36	-
Express	-	
Others	-	
Total	44,658.98	23,747.92

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45 Other statutory information

DETAILS OF BENAMI PROPERTY HELD

The Group does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

RELATIONSHIP WITH STRUCK OFF COMPANIES

The Group has got transactions/balances with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

Name Of Vendor	Nature of transaction	Transactions during the year March 31, 2022	Balance outstanding at the end of the year as at March 31, 2022	Relationship with the Struck off company, if any, to be disclosed
SAHARA CARGO PACKERS AND SHIFTERS PRIVATE LIMITED	Advance given	-	0.28	Vendor(Non related)
EVERGREEN SYSTEMS AND ENGINEERING PRIVATE LIMITED	Advance given	-	1.51	Vendor(Non related)

WILLFUL DEFAULTER

The Group has not been declared a willful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Group do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

The Group has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Group has not received any fund from any person or entity, 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.

UNDISCLOSED INCOME

The Group has not 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.

BORROWINGS OBTAINED ON THE BASIS OF SECURITY OF CURRENT ASSETS

For the borrowings secured against current assets ,the Group has filed Quarterly statements of current assets with the banks and the same are in agreement with the books of accounts.

UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

As on March 31, 2022 there is no unutilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.

REVALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The Group has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year

COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Group is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017

CHATURVEDI & SHAH LLP * CHARTERED ACCOUNTANTS * MUMBAI

SILVER SPARK APPAREL LTD. * Bangalore-560064 * Yelahanka New Town

46 The Company has considered the possible effects that may result from COVID-19 in the preparation of these financial statements. The Company believes that pandemic is unlikely to impact on the recoverability of the carrying value of its assets as at March 31, 2022. Based on the current year performance and estimates arrived at using internal and external sources of information, the Company does not expect any material impact on such carrying values. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business. The Company is taking all necessary measures to secure the health and safety of its employees, workers and their families.

47 The Company has initiated the process of obtaining Balance confirmations and is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management is of the opinion the balances outstanding are correct and does not expect any material differences in the balances that would be affecting the current year's financial statements on receipt of the balance confirmations post the balance sheet date.

48 Previous year figures have been re-grouped/rearranged wherever necessary to conform to the current year's classification.

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SILVER SPARK APPAREL LTD. * Yelahanka New Town * Bangalore-560064.

Silver Spark Apparel Limited
Notes to the consolidated financial statements

49 Earnings per share

	Year ended 31st March, 2022	Year ended 31st March, 2021
Earnings Per Share		
Profit/(Loss) for the year (Rs. in lakhs)	1,787.64	(1,434.16)
Weighted average number of equity shares outstanding (nos.)	89,64,300	89,64,300
Earnings Per Share (Rs. per equity share of Rs. 10 each)		
-Basic	19.94	(16.00)
-Diluted	19.94	(16.00)

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number : 101720W/ W100355

Lalit R. Mhalsekar
Partner
Membership No. 103418

Place: Mumbai
Date: 13th May 2022

CHATURVEDI & SHAH LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

SILVER SPARK APPAREL LTD. Yelahanka New Town ★ Bangalore-560064 ★

For and on behalf of the Board of Directors

Harishkumar Chatterjee
Director
DIN: 03560685

Krishnan Narayan
Director
DIN: 00950589

PASHMINA HOLDINGS LIMITED

ANNUAL REPORT 2021-22

BOARD OF DIRECTORS	:	SHRI S. L. POKHARNA SHRI SUBHASH THAKKER SHRI ARUN AGARWAL
STATUTORY AUDITORS	:	MESSERS V. B. DALAL & CO. CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	NEW HIND HOUSE, N. M. MARG, BALLARD ESTATE, MUMBAI – 400 001, MAHARASHTRA

PASHMINA HOLDINGS LIMITED
(CIN: U67120MH1983PLC031734)

DIRECTORS' REPORT

To,
The Members,
PASHMINA HOLDINGS LIMITED

The Directors take pleasure in presenting the Thirty Eighth Annual Report together with Audited Financial Statements for the period ended on March 31, 2022.

1. FINANCIAL SUMMARY AND HIGHLIGHTS OF PERFORMANCE

The company incurred a profit/loss of Rs. 14.95 lacs (Previous Year: Profit of Rs. 14.56 lacs). There has been no material change which occurred between the end of the financial year and date of this Report, affecting the financial position of the Company.

2. DIVIDEND

The Directors of your Company did not recommend any dividend to the equity shareholders of the Company for the financial year ended March 31, 2022.

3. RESERVES

Your Company has not transferred any amount to the General Reserves of the Company for the financial year ended March 31, 2022.

4. STATUTORY AUDITOR:

The Shareholders of the Company at the Thirty Third Annual General Meeting (AGM) held on June 2, 2017, appointed M/s. V.B. Dalal & Co., Chartered Accountants, (Firm Registration No.: 102055W/ Membership No.10373) as the Statutory Auditors of the Company from the conclusion of 33rd AGM until the conclusion of 38th AGM of the Company.

The Board at their meeting held of December 6, 2021 appointed M/s M G M and Company, Chartered Accountants, (Firm Registration No: 117963W / Membership No.104633), as Statutory Auditors of the Company for the financial year 2021-22 to fill up the casual vacancy caused due to death of Shri Virendra Dalal, Proprietor of M/s. V.B. Dalal & Co., Chartered Accountants, (Firm Registration No.: 102055W/ Membership No.10373) and shall hold office until the conclusion of the ensuing AGM of the Company.

Further, the Board at their meeting held on 13 May 2022, recommended the appointment of M/s M G M and Company, Chartered Accountants, (Firm Registration No: 117963W / Membership No.104633), as Statutory Auditors of the Company for a period of five consecutive years i.e. from the conclusion of Thirty Eighth AGM until the conclusion of Forty Third AGM of the Company.

In this regard, M/s M G M and Company, Chartered Accountants, (Firm Registration No: 117963W / Membership No.104633) have submitted their written consent that they are eligible and qualified to be appointed as Statutory Auditors of the Company in terms of Section 139 of the Companies Act, 2013 (Act) and also satisfy the criteria provided in Section 141 of the Act.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is periodically assessed and strengthened with new / revised standard operating procedures.

6. SHARE CAPITAL

The authorised share capital of the Company as on March 31, 2022 stood at Rs. 1,01,00,000 divided into 10,00,000 Equity Shares of Rs.10/- each and 1000 cumulative preference shares of Rs 100 each. The issued, subscribed and paid-up share capital of the Company as on March 31, 2022 stood at Rs. 74,00,000 divided into 7,40,000 Equity Shares of Rs.10/- each.

Further, there had been no change in the authorised, issued, subscribed and paid-up share capital of the Company during the financial year.

As on March 31, 2022, none of the Directors of the Company hold any shares of the Company. During the year under review, the Company has not issued any shares. As on March 31, 2022, none of the Directors of the Company hold any shares in the Company.

7. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Act, during the year under review.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There are no Loans, Guarantees and Investments under the provisions of Section 186 of the Act, accepted or given by the Company.

9. DIRECTORS AND THEIR MEETINGS

In terms of Section 152 of the Act, Shri Arun Agarwal, Director of the Company, retires by rotation at the ensuing AGM, and being eligible, offers himself for re-appointment. The Board of Directors recommends the re-appointment of Shri Arun Agarwal.

Profiles of Director to be re-appointed at the ensuing AGM, as required under Secretarial Standard - 2 on General Meetings, is given in the Notice of the ensuing AGM.

The above re-appointment forms a part of the notice of the ensuing AGM and the resolution is recommended for members' approval.

Your Board presently consists of following Directors:

S. No.	Name of the Director	Designation
1	Shri Arun Agarwal	Director
2	Shri S. L. Pokharna	Director
3	Shri Subhash Kanjibhai Thakker	Director

As per the disclosure received from the directors, none of the directors are disqualified from being appointed as Directors as specified in Section 164(2) of the Act.

During the year, 5 Board Meetings were convened and held as detailed below.

The Board Meetings held and Attendance of Directors at the Meetings is given below:

Sr. No.	NAME OF DIRECTOR	DATE OF BOARD MEETING				
		30.04.2021	23.07.2021	22.10.2021	06.12.2021	18.01.2022
1	Shri S. L. Pokharna	✓	✓	✓	✓	✓
2	Shri Arun Agarwal	✓	✓	✓	✓	✓
3	Shri Subhash Thakker	✓	✓	✓	✓	✓

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

10. COMPLIANCE WITH SECRETARIAL STANDARDS

In terms of Section 118(10) of the Act, the Company is complying with the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by Central Government with respect to Meetings of the Board of Directors and General Meetings.

11. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Act, during the financial year 2021-22 were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Act. Thus, a disclosure in form AOC - 2 is not required.

12. RISK MANAGEMENT

The Company has adequate risk management measures which are implemented, developed, assessed, reviewed and strengthened from time to time.

13. REPORTING OF FRAUDS

There was no instance of fraud during the period under review which required the Statutory Auditors to report to the Board under Section 143(12) of the Act and the Rules framed thereunder.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Act, the Board of Directors of the Company hereby state and confirm that:

i. in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
ii. the directors have selected such accounting policies and applied them consistently and have 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 as at March 31, 2022 and of the loss of the Company for the year ended on that date;
iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
iv. the directors have prepared the annual accounts on a going concern basis; and
v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and such systems are adequate and operating effectively.

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company had no manufacturing activities during the period under review, there were no steps undertaken by the Company and consequently no disclosure is made as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo.

16. ANNUAL RETURN

The Company does not have a website of its own and therefore, the requirement to disclose the web address where the Company shall place a copy of the annual return referred to in sub-section (3) of Section 92 of the Act, is not applicable.

17. PARTICULARS OF EMPLOYEES

The provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2022 are not applicable.

18. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l)of the Act, there are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

19. VIGIL MECHANISM

The Company does not fall under the threshold limit mentioned under Section 177 of the Act and Rule 7 of Companies (Meeting of its Board Powers and Meeting) Rules, 2014. Therefore, the requirement to establish and provide details of the vigil mechanism is not applicable on the Company.

20. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

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

Since the company does not have any employees, this disclosure under the above act is not applicable.

22. DISCLOSURES

No application has been made under the Insolvency and Bankruptcy Code. The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

23. RESIDUARY DISCLOSURES

During the year under review:

i. no Company have become or ceased to be its Subsidiaries, joint ventures or associate Companies. Hence, disclosure under Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is not applicable;

ii. provisions of Section 135 of the Act was not applicable to the Company, hence disclosure under section 134(3)(o) of the Act is not applicable;

iii. Company does not have any Independent Directors, hence disclosure under section 134(3)(d) of the Act is not applicable;

iv. Company does not cover under provisions of 178 of the Act, hence disclosure under section 134(3)(e) of the Act is not applicable;

v. Company does not cover under provisions of Rule 8(4) of the Companies (Accounts) Rules, 2014, hence disclosure under section 134(3)(p) of the Act is not applicable;

vi. the provisions of Section 125(2) of the Act, do not apply as there was no unclaimed dividend in the previous years.

vii. there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable.

viii. Company was not required to maintain the cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act were not applicable for the business activities carried out by the Company.

24. ACKNOWLEDGEMENT

The Directors extend their grateful appreciation for the co-operation, support and valuable guidance received from banks, government and other statutory authorities.

For and on behalf of the Board of
PASHMINA HOLDINGS LIMITED

S. L. Pokharna
Director
DIN: 01289850

Subhash Thakker
Director
DIN: 07062791

Date: 13 May, 2022
Place: Mumbai

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Pashmina Holdings Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Pashmina Holdings Limited** (the Company), which comprise the Balance sheet as at 31st March, 2022, the Statement of Profit and Loss, the Statement of Changes in Equity 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.

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 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, 2022 and its profit, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of Companies Act, 2013 and the rules thereunder and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained in sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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 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 financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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. The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditors' Responsibility

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:

• 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 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.

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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Other Matter

The financial statements of the Company for the financial year ended 31st March, 2021 were audited by another auditor who expressed an unqualified opinion on those financial statements, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the standalone financial statements. Our audit report is not qualified in respect of this matter.

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 sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose of our audit;

   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   c) The Balance Sheet, Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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”; and

g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 contract including derivative contracts for which there were any material foreseeable losses.

   III. There have been no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For MGM and Company
Chartered Accountants
Firm Registration No. 117963W

CA Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: 13/05/2022
UDIN:

"ANNEXURE A" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF PASHMINA HOLDINGS LIMITED

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 state that:

(i) In respect of Property, Plants and Equipments:

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plants and Equipments and intangible assets.

b. As explained to us, considering the nature of the Property, Plants and Equipments, the same have been physically verified by the management at reasonable intervals during the year as per the verification plan adopted by the company, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us and the records produced to us for our verification, the discrepancies noticed during such physical verification were not material and the same have been properly dealt with in the books of account.

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 are held in the name of the Company.

d. As per the information provided to us, the company has not revalued its Property, Plant and Equipments and Intangible assets during the year. Accordingly, paragraph 3(i)(d) of the Order is not applicable.

e. As per the information provided to us, there is no proceedings initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.

(ii)

(a) 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 inventories held in the name of the Company. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.

(b) The company has not been sanctioned working capital limits in excess of five crore rupees at any point of time of the year, in aggregate, from banks or financial institutions. Accordingly, paragraph 3(ii)(b) of the order is not applicable.

(iii) According to the information and explanations given to us, the Company has not made investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, paragraph 3(iii) of the order is not applicable.

(iv) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act during the year.

(v) No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.

(vi) According to the information and explanations given to us, the Central Government under sub-section (1) of Section 148 of the Act has not prescribed maintenance of cost records in respect of the activities carried out by the company.

(vii)

a. According to the information and explanations given to us and on the basis of our examination, the Company is generally regular in depositing undisputed statutory dues including Income Tax, Goods and Service Tax, Wealth Tax, Customs Duty, and Cess as applicable to the Company with the appropriate authorities.

   No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable:

b. According to the records of the Company, there are no dues of Income Tax, Goods and Service tax, Customs Duty, Wealth Tax and Cess 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, there is no unrecorded transaction which have been surrendered and disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

(ix) In our opinion and according to the information and explanations given to us, the company has not raised any term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

(x)

(a) According to the information and explanations given to us and on the basis of our examination, the Company has not raised any money by way of initial public offer / further public offer / debt instruments.

(b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to appoint internal auditors as per the act and rules made thereunder.

(xv) 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 him. Accordingly, paragraph 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.

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditor during the year and accordingly this clause 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 realization 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 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) According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to comply with section 135. Accordingly, paragraph 3(xx) of the Order is not applicable.

For MGM and Company
Chartered Accountants
Firm Registration No. 117963W

Place: Pune
Date: 13/05/2022
UDIN:

Mangesh Katariya
Partner
Membership No. 104633

“ANNEXURE B” REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF PASHMINA HOLDINGS LIMITED

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

We have audited the internal financial controls over financial reporting of Pashmina Holdings Limited (“the Company”) as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 Companies Act, 2013.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, 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 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MGM and Company
Chartered Accountants
Firm Registration No. 117963W

Place: Pune
Date: 13/05/2022
UDIN:

Mangesh Katariya
Partner
Membership No. 104633

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Balance Sheet as at 31st March, 2022

(Amount in Rs lakhs)

Sr. No.	Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Property, Plant and Equipment	2	904.70	905.28
	(b) Financial Assets			
	(i) Investments	3 (a)	32.70	30.86
	(ii) Others financial assets	4	0.71	0.71
2	**Current assets**			
	(a) Financial Assets			
	(i) Investments	3 (b)	402.48	388.92
	(ii) Cash and cash equivalents	5	5.31	5.17
	(b) Assets for Current Tax (Net)		19.85	19.81
	TOTAL ASSETS		**1,365.75**	**1,350.75**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	6 (a)	74.00	74.00
	b) Other equity	6 (b)		
	(i) Reserves & Surplus		1,252.32	1,239.69
	(ii) Other Reserves (OCI)		38.66	36.82
2	**Liabilities**			
	Current liabilities			
	(a) Financial Liabilities			
	(i) Other financial liabilities	7	0.77	0.24
	TOTAL LIABILITIES		**1,365.75**	**1,350.75**

Significant Accounting Policies	1	
The accompanying notes are an integral part of the Financial Statements	12-17	

As per our Report of even date
For MGM and Company
Chartered Accountants
Firm Reg. No : 117963W

For and on behalf of the Board

CA Mangesh Katariya
Partner
Membership No.:104633
Place: Pune
Date : 13/05/2022

Mr. Subhash Thakker
Director
DIN: 07062791
Place: Mumbai
Date : 13/05/2022

Mr. Shantilal Pokharna
Director
DIN: 01289850
Place: Mumbai

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Statement of Profit and Loss for the year ended 31st March, 2022

(Amount in Rs lakhs)

Sr. No.	Particulars	Note No.	Year ended 31st March, 2022	Year ended 31st March, 2021
I	**Other Income**	8	16.81	16.39
	Total Income		**16.81**	**16.39**
II	**Expenses**			
	Depreciation expense	2	0.58	0.58
	Other expenses	9	1.29	1.25
	Total expenses		**1.87**	**1.83**
III	**Profit/(Loss) before tax (I - II)**		**14.94**	**14.56**
IV	**Tax expense**			
	Current tax	10	2.33	2.27
	MAT Credit for the year		-	-
	Prior Period Taxation		(0.02)	0
	MAT Credit of Earlier years		-	(1.40)
	Sub Total (IV)		**2.31**	**0.87**
V	**Profit/(Loss) after tax for the period (III - IV)**		**12.63**	**13.68**
VI	**Other Comprehensive Income for the year**			
	Items that will not be reclassified to Profit and Loss			
	Changes in Fair Value of FVOCI equity instrument		1.84	19.49
	Sub Total (VI)		**1.84**	**19.49**
VII	**Total Comprehensive Income for the year (V+VI)**		**14.47**	**33.18**
VIII	**Earnings per equity share**	11		
	Basic		1.71	1.85
	Diluted		1.71	1.85

Significant Accounting Policies 1
The accompanying notes are an integral part of the Financial Statements 12-17

As per our Report of even date
For MGM and Company
Chartered Accountants
Firm Reg. No : 117963W

For and on behalf of the Board

CA Mangesh Katariya
Partner
Membership No.: 104633
Place: Pune
Date : 13/05/2022

Mr. Subhash Thakker
Director
DIN: 07062791
Place: Mumbai
Date : 13/05/2022

Mr. Shantilal Pokharna
Director
DIN: 01289850
Place: Mumbai

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Statement of Changes in Equity for the year ended 31st March, 2022

A. Equity Share Capital *(Amount in Rs lakhs)*

Particulars	Amount
Balance as at 31st March, 2020	74.00
Changes in equity share capital during the period	-
Balance as at 31st March, 2021	**74.00**
Changes in equity share capital during the year	-
Balance as at 31st March, 2022	**74.00**

B. Other Equity *(Amount in Rs lakhs)*

Particulars	Reserves & Surplus				(ii) Other Reserves (OCI)	Total (i+ii)
	Securities Premium Reserve	Capital Redemption Reserve	Retained Earnings	(i) Total Reserves & Surplus		
Balance as at 01.04.2020	**650.00**	**0.50**	**575.51**	**1,226.01**	**17.33**	**1,243.34**
Profit for the year			13.68	13.68		13.68
Other Comprehensive Income for the year					19.49	19.49
Balance as at 31.03.2021	**650.00**	**0.50**	**589.19**	**1,239.69**	**36.82**	**1,276.51**
Profit for the year			12.63	12.63		12.63
Other Comprehensive Income for the year				-	1.84	1.84
Balance as at 31.03.2022	**650.00**	**0.50**	**601.82**	**1,252.32**	**38.66**	**1,290.98**

The accompying notes are an intergal part of this standalone financial statements.

As per our Report of even date
For MGM and Company
Chartered Accountants
Firm Reg. No: 117963W

For and on behalf of the Board

CA Mangesh Katariya
Partner
Membership No.: 104633
Place: Pune
Date : 13/05/2022

Mr. Subhash Thakker
Director
DIN: 07062791
Place: Mumbai
Date : 13/05/2022

Mr. Shantilal Pokharna
Director
DIN: 01289850
Place: Mumbai

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Cash Flow Statement for the year ended 31st March, 2022

(Amount in Rs lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
A. **Cash Flow arising from Operating Activities:**		
Net Profit before Tax as per Profit and Loss Statement	14.94	14.56
Adjustments for		
Depreciation and Amortization	0.58	0.58
Dividend Income & Fair Valuation	(14.11)	(13.69)
Operating Cash Profit before Working Capital Changes	1.41	1.45
Movement in Working Capital		
(Increase)/Decrease in Other Financial Assets		(0.10)
Increase/(Decrease) in Trade and Other Payables	0.53	-
Cash Inflow from Operations	1.94	1.35
Direct Taxes Refund / (paid) - Net	(2.36)	(2.30)
Net Cash Inflow/(Outflow) in the course of Operating Activities (A)	(0.42)	(0.95)
B. **Cash Flow arising from Investing Activities:**		
Dividend and Income from Mutual Funds	0.56	0.20
Acquisition of Current Investments-Net	-	100
Net Cash Inflow/(outflow) in the course of Investing Activities (B)	0.56	(99.80)
C. Cash Flow arising from Financing Activities:		
Net Cash Inflow/(Outflow) in the course of Financing Activities (C)	-	-
Net Increase (Decrease) in Cash/Cash Equivalents (A + B+C)	0.14	(100.76)
Cash and Cash Equivalents at the beginning of the year	5.17	105.93
Cash/Cash Equivalent at the close of the year	**5.31**	**5.17**

As per our Report of even date
For MGM and Company
Chartered Accountants
Firm Reg. No : 117963W

For and on behalf of the Board

CA Mangesh Katariya
Partner
Membership No.: 104633
Place: Pune
Date : 13/05/2022

Mr. Subhash Thakker
Director
DIN: 07062791
Place: Mumbai
Date : 13/05/2022

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Director
DIN: 01289850
Place: Mumbai

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Notes to the financial statements for the year ended 31st March, 2022

Note :- 2 - Property, Plant and Equipment *(Amount in Rs lakhs)*

Sr. No.	Particulars	Land (freehold)*	Electical Installations	Total
A	**Deemed Cost**			
	Balance as at 1st April 2020	**902.70**	**6.07**	**908.77**
	Additions	-	-	-
	Disposals		-	-
	Balance as at 31st March 2021	**902.70**	**6.07**	**908.77**
	Additions			-
	Disposals	-	-	-
	Balance as at 31st March 2022	**902.70**	**6.07**	**908.77**
B	**Accumulated Depreciation**			
	Balance as at 1st April 2020	**-**	**2.91**	**2.89**
	Additions	-	0.58	0.58
	Disposals	-	-	
	Balance as at 31st March 2021	**-**	**3.49**	**3.49**
	Additions	-	0.58	0.58
	Disposals	-	-	-
	Balance as at 31st March 2022	**-**	**4.07**	**4.07**
C	**Net Block (A-B)**			
	Balance as at 31st March 2021	**902.70**	**2.58**	**905.28**
	Balance as at 31st March 2022	**902.70**	**2.00**	**904.70**

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Notes to the financial statements for the year ended 31st March, 2022

Note 3 - Financial Assets - Investments

(a) Non-current investments *(Amount in Rs lakhs)*

Particulars	As at 31st March, 2022	As at 31st March, 2021
A. Equity instruments		
Fair value through Other Comprehensive Income		
Quoted		
J.K. Tyre & Industries Limited (27880 Equity Shares of Rs. 2 each)	32.70	30.86
Total	32.70	30.86

(b) Current investments *(Amount in Rs lakhs)*

Particulars	As at 31st March, 2022	As at 31st March, 2021
A. Other instruments		
Fair value through profit or loss		
Unquoted		
Investments in Mutual Funds		
SBI MF - Magnum Ultra SDF Dir DIDCW (Units of Rs. 1000 each) [1670.275 Units (P.Y.- 1670.275 Units)]	30.59	29.47
Kotak Liquid Fund Direct Plan Growth (Units of Rs. 1000 each) [6163.334 Units (P.Y.- 6163.334 Units)]	265.21	256.34
SBI Liquid Fund Direct Growth(Units of Rs. 1000 each) [3200.593 Units (P.Y.- 3200.593 Units)]	106.68	103.11
Total	**402.48**	**388.92**

Note 4 - Financial Assets - Others financial assets *(Amount in Rs lakhs)*

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-current Assets		
Considered good		
Security Deposits		
Deposits with others	0.71	0.71
Total	**0.71**	**0.71**

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Notes to the financial statements for the year ended 31st March, 2022

Note 5 - Current assets - Cash and cash equivalents

(Amount in Rs lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balances with Banks		
In current accounts	5.31	5.17
Total	**5.31**	**5.17**

Note 6 - Equity

(a) Equity Share Capital

(Amount in Rs lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Authorised		
1,000 Cumulative Preference Shares of Rs. 100 each	1.00	1.00
10,00,000 Equity Shares of Rs. 10 each	100.00	100.00
Issued, subscribed and fully paid up		
7,40,000 Equity Shares of Rs.10 each	74.00	74.00
	74.00	**74.00**

i)Reconciliation of number of shares

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	7.40	74.00	7.40	74.00
Add: ESOP shares issued during the year	-	-	-	-
Balance as at the end of the year	**7.40**	**74.00**	**7.40**	**74.00**

ii) Rights, preferences and restrictions attached to shares

Equity shares: The Company has issued only one class of equity shares having face value of Rs. 10/- each. Each Share holder is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity share will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts, if any.

iii) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Particulars	% Holdings	As at 31st March, 2022	% Holdings	As at 31st March, 2021
Equity Shares of Rs. 10 held by:				
Raymond Limited	100%	7.40	100%	7.40

iv) Details of equity shares held by promoters in the Company

Particulars	% Holdings	As at 31st March, 2022	% Holdings	As at 31st March, 2021
Equity Shares of Rs. 10 held by:				
Raymond Limited	100%	7.40	100%	7.40

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Notes to the financial statements for the year ended 31st March, 2022

Note 6 - Equity

(b) Other Equity *(Amount in Rs lakhs)*

Particulars	Reserves & Surplus				(ii) Other Reserves (OCI)	Total (i+ii)
	Securities Premium Reserve	Capital Redemption Reserve	Retained Earnings	(i) Total Reserves & Surplus		
Balance as at 01.04.2020	**650.00**	**0.50**	**575.51**	**1,226.01**	**17.33**	**1,243.34**
Add : Profit for the year	-	-	13.68	13.68	-	13.68
Add : Other Comprehensive Income for the year	-	-	-	-	19.49	19.49
Balance as at 31.03.2021	**650.00**	**0.50**	**589.19**	**1,239.69**	**36.82**	**1,276.51**
Add : Profit for the year	-	-	12.63	12.63	-	12.63
Add : Other Comprehensive Income for the year	**-**	**-**		**-**	1.84	1.84
Balance as at 31.03.2022	**650.00**	**0.50**	**589.19**	**1,252.32**	**38.66**	**1,290.98**

Note 7 - Current Liabilities - Other current financial liabilities *(Amount in Rs lakhs)*

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Provision for Audit Fees	0.54	0.24
(b) Professional Fees Payable	0.18	-
(C) Statutory Dues Payable	0.05	-
Total	**0.77**	**0.24**

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Notes to the financial statements for the year ended 31st March, 2022

Note 8 - Other income *(Amount in Rs lakhs)*

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Dividend Income on:		
Investment measured at FVTOCI	0.56	0.20
Rent and compensation	2.70	2.70
Changes in fair value of FVTPL investments	13.56	12.99
Gain on Redemption of Mutual Fund	-	0.50
Total	**16.82**	**16.39**

Note 9 - Other expenses *(Amount in Rs lakhs)*

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Auditor's Remuneration	0.59	0.24
Legal and Professional Expenses	0.65	0.88
Bank Charges	0.03	0.02
Interest paid on Income Tax	0.02	0.08
Other Expenses	-	0.03
Total	**1.29**	**1.25**

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
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Notes to the financial statements for the year ended 31st March, 2022

Note 10 : Income Taxes
A. Tax expense recognised in the Statement of Profit and Loss *(Amount in Rs lakhs)*

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Current year	2.33	2.27
Total current tax	**2.33**	**2.27**
MAT credit for the year	**-**	**-**
Deferred tax		
Origination and reversal of temporary difference	-	-
Total deferred income tax expense/(credit)	**-**	**-**
MAT Credit in respect of earlier years	**-**	-
Total income tax expense/(credit)	**2.33**	**2.27**

B. Reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

Reconciliation of effective tax rate *(Amount in Rs lakhs)*

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Profit before tax	**14.95**	**14.56**
Enacted income tax rate in India	**26.00%**	**26.00%**
Tax at India Income Tax Rate	**3.88**	**3.79**
Differencial in tax due to:		
i) Difference in Tax Rate	**-**	**(0.05)**
ii) Expenses not deductible for tax purposes		
-Depreciation	0.15	0.15
-Interest on income tax	0	0.02
iii) Income exempt from Income taxes		
Dividend Income & changes in fair value of investments	(3.52)	(3.38)
iv) Others		-
-MAT Credit for the year not recognised due to uncertainty	1.82	1.74
Tax as per Statement of Profit and Loss	**2.34**	**2.27**

The effective tax rate 25% + 4% cess i.e. 26%

Note 11 - Earnings per share *(Amount in Rs lakhs)*

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Earnings Per Share has been computed as under:		
Profit/(Loss) for the year	12.63	13.69
Weighted average number of equity shares outstanding	7.40	7.40
Earnings Per Share (Rs.) - Basic (Face value of Re. 10 per share)	**1.71**	**1.85**

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Notes to the financial statements for the year ended 31st March, 2022

Note - 12 - Financial Risk Management

Liquidity Risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time, or at a reasonable price. The group's treasury deparment is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity patterns of other Financial Liabilities

As at 31.03.2022 *(Amount in Rs lakhs)*

Pariculars	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Other Financial Liabilities	-	0.77	-	-	-	0.77
Total	-	0.77	-	-	-	0.77

As at 31.03.2021 *(Amount in Rs lakhs)*

Pariculars	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Other Financial Liabilities	-	0.24	-	-	-	0.24
Total	-	0.24	-	-	-	0.24

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Notes to the financial statements for the year ended 31st March, 2022

Note - 13 - Fair Value Measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are 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:
1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(Amount in Rs lakhs)

Financial Assets and Liabilities as at 31st March'2022	Total Amount			Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investment																
- Equity instruments	32.70	-	32.70	-	-	-	-	32.70	-	-	32.70	-	-	-	-	32.70
- Mutual funds	-	402.48	402.48	402.48	-	-	402.48	-	-	-	-	-	-	-	-	402.48
	32.70	**402.48**	**435.18**	**402.48**	**-**	**-**	**402.48**	**32.70**	**-**	**-**	**32.70**	**-**	**-**	**-**	**-**	**435.18**
Other Assets																
Other Financial Assets	0.71	-	0.71	-	-	-	-	-	-	-		-	-	0.71	0.71	0.71
Cash and Cash equalents	-	5.31	5.31	-	-	-	-	-	-	-		-	-	5.31	5.31	5.31
	33.41	**407.79**	**441.20**	**402.48**	**-**	**-**	**402.48**	**32.70**	**-**	**-**	**32.70**	**-**	**-**	**6.02**	**6.02**	**441.20**
Financial Liabilities																
Trade Payables	-	0.77	0.77	-	-	-	-	-	-	-	-	-	-	0.77	0.77	0.77
	-	**0.77**	**0.77**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.77**	**0.77**	**0.77**

(Amount in Rs lakhs)

Financial Assets and Liabilities as at 31st March'2021	Total Amount			Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investment																
- Equity instruments	30.86	-	30.86	-	-	-	-	30.86	-	-	30.86	-	-	-	-	30.86
- Mutual funds	-	388.92	388.92	388.92	-	-	388.92	-	-	-	-	-	-	-	-	388.92
	30.86	**388.92**	**419.78**	**388.92**	**-**	**-**	**388.92**	**30.86**	**-**	**-**	**30.86**	**-**	**-**	**-**	**-**	**419.78**
Other Assets																
Other Financial Assets	0.71	-	0.71	-	-	-	-	-	-	-	-	-	-	0.71	0.71	0.71
Cash and Cash equalents	-	5.17	5.17	-	-	-	-	-	-	-	-	-	-	5.17	5.17	5.17
	31.57	**394.09**	**425.66**	**388.92**	**-**	**-**	**388.92**	**30.86**	**-**	**-**	**30.86**	**-**	**-**	**5.88**	**5.88**	**425.66**
Financial Liabilities																
Trade Payables	-	0.24	0.24	-	-	-	-	-	-	-	-	-	-	0.24	0.24	0.24
	-	**0.24**	**0.24**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.24**	**0.24**	**0.24**

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Notes to the financial statements for the year ended 31st March, 2022

Note - 13 - Fair Value Measurement *(Amount in Rs lakhs)*

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Investments				
Equity instruments	32.70	32.70	30.86	30.86
Investment in Mutual Fund	402.48	402.48	388.92	388.92
Other Financial Assets	0.71	0.71	0.71	0.71
Cash and Cash equalents	5.31	5.31	5.17	5.17
	441.20	**441.20**	**425.66**	**425.66**
Financial Liabilities				
Trade Payables	0.77	0.77	0.24	0.24
	0.77	**0.77**	**0.24**	**0.24**

Note 14: Contingent liabilities and commitments (to the extent not provided for)

(a) Contingent Liabilities *(Amount in Rs lakhs)*

Particulars	As at 31st March, 2022	As at 31st March, 2021
> Under appeal at High Court (paid Rs.9,73,920/-)	9.74	9.74

(b) Commitments

There were no Capital Commitment as at year end 31.03.2022 (Previous Year: Nil)

Note 15:

On 6 November 2007, the Company had entered into four separate tri-partite agreements with Raymond Limited and each of the four sub-lessees of residential units in JK House (being Dr. Vijaypat Singhania, Mr. Gautam Hari Singhania, Mr. Akshaypat Singhania and Ms. Veenadevi Singhania along with Mr. Anant Singhania), who are considered to be related parties and said agreements were not acted upon. The said tri-partite agreements have been rejected by the shareholders of the Rayond Limited at its meeting dated 5th June 2017. Dr. Vijaypat Singhania, Mr. Akshaypat Singhania and Ms. Veenadevi Singhania along with Mr. Anant Singhania have initiated the arbitration proceedings against the Raymond Limited in order to secure the specific performance of the tri-partite agreements.

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Notes to the financial statements for the year ended 31st March, 2022

Note 16 : Analytical Ratios

Sr. No.	Particulars	Numerator	Denominator	2021-22	2020-21	Variance
1	Current Ratio ^	Current Assets	Current Liabilities	557.54	1753.80	-68.21%
2	Debt-Equity Ratio	Total Debt	Shareholders' Equity	-	-	-
3	Debt Service Coverage Ratio	Earnings available for debt service *	Principal + Interest & Lease payment	-	-	-
4	Return on Equity Ratio	Net Profit after tax	Shareholders' Equity	0.93%	1.01%	-8.71%
5	Inventory turnover Ratio	Net Sales	Average Inventory	-	-	-
6	Trade Receivables turnover Ratio	Net Credit Sales	Average Account receivables	-	-	-
7	Trade payables turnover Ratio	Net Credit Purchases	Average Trade Payables	-	-	-
8	Net capital turnover Ratio	Net Sales	Working Capital	-	-	-
9	Net profit Ratio	Net Profit	Net Sales	-	-	-
10	Return on Capital Employed	EBIT	Capital Employed #	1.56%	1.52%	2.59%
11	Return on Investment ~	Income generated from investments	Time weighted average investments	3.67%	7.78%	-52.90%

* Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss sale of fixed asset etc.
# Tangible Net Worth + Total Debt + Deferred Tax Liability

^ The variation in current ratio as at March 31, 2022 as compared to March 31, 2021 is primarily due to increase in other current liability
~ The variation in Return on Investment is due to fluctuation in rate of market prices.

RAYMOND LUXURY COTTONS LIMITED
ANNUAL REPORT 2021-22

BOARD OF DIRECTORS	:	SHRI HARISHKUMAR CHATTERJEE
		SMT. RASHMI MUNDADA, INDEPENDENT DIRECTOR
		SHRI VIJAY PATIL
		SHRI ATUL DAMODAR DHARAP, INDEPENDENT DIRECTOR *(APPOINTED W.E.F. MAY 13, 2022)*
KEY MANAGERIAL PERSONNEL	:	SHRI HARISHKUMAR CHATTERJEE, MANAGER *(APPOINTED W.E.F. MAY 13, 2022)*
		SHRI SRINIVASA VAJHA, CHIEF FINANCIAL OFFICER
		SHRI AKSHAT CHECHANI, COMPANY SECRETARY *(RESIGNED W.E.F. SEPTEMBER 25, 2021)*
		SHRI MOHD WAQAR SIDDIQUI, COMPANY SECRETARY *(APPPOINTED W.E.F. OCTOBER 22, 2021)*
COST AUDITOR	:	MESSRS R. NANABHOY & CO., COST ACCOUNTANTS
SECRETARIAL AUDITOR	:	MESSRS ROBERT PAVREY & ASSOCIATES, COMPANY SECRETARIES
STATUTORY AUDITOR	:	MESSRS CHATURVEDI & SHAH LLP, CHARTERED ACCOUNTANTS
INTERNAL AUDITOR	:	MESSRS ERNST & YOUNG, CHARTERED ACCOUNTANTS LLP
REGISTERED OFFICE	:	NEW HIND HOUSE, N. M. MARG, BALLARD ESTATE, MUMBAI – 400 001, MAHARASHTRA
REGISTRAR AND SHARE TRANSFER AGENT	:	KFIN TECHNOLOGIES LIMITED
		SELENIUM BUILDING, TOWER-B, PLOT NO 31 & 32, FINANCIAL DISTRICT, NANAKRAMGUDA, SERILINGAMPALLY, HYDERABAD, RANGAREDDI, TELANGANA , INDIA - 500 032.

RAYMOND LUXURY COTTONS LIMITED
CIN: U17120MH2004PLC149276

DIRECTORS' REPORT

To,
THE MEMBERS
Your Directors take pleasure in presenting their Eighteenth Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2022.

1. FINANCIAL SUMMARY & HIGHLIGHTS OF PERFORMANCE

Your Company manufactures high value fine cotton and linen shirting for both domestic and international customers. The net turnover of the Company was at ₹ 571.76 Crore (Previous Year: ₹ 257.82 Crore). Profit after tax was ₹14.3 Crore (Previous Year: Loss: ₹38.19 crore).

2. DIVIDEND

In order to conserve the resources of the Company, your Directors do not recommend any dividend for the Financial Year 2021-22.

3. RESERVES

Your company has not transferred any amount to the reserves of the Company.

4. AUDITORS

Statutory Auditor

Messrs. Chaturvedi & Shah LLP, Chartered Accountants (ICAI Firm Registration Number 101720W/ W100355) are the statutory auditors of the Company for the year ended March 31, 2022. Their appointment as statutory auditor to hold office is valid from the conclusion of the 13th Annual General Meeting of the Company till the conclusion of the 18th Annual General Meeting of the Company. Accordingly, the Board of Directors based on the recommendations of the Audit Committee have proposed to consider their re-appointment for a second term of 5 years. Detailed proposal relating to their re-appointment forms part of the Notice of ensuing Annual General Meeting.

There is no audit qualification in the financial statements by the statutory auditors for the year under review.

Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost records relating to manufacturing operations of the Company and accordingly, such records are maintained by the Company and audited by the Cost Auditor appointed in this regard.

The Board of Directors on the recommendation of Audit Committee has re-appointed Messrs. R. Nanabhoy & Co., Cost Accountants, as Cost Auditor to audit the cost accounts of the Company for the Financial Year 2022-23. As required under the Companies Act, 2013, a resolution seeking member's approval for ratifying the remuneration payable to the Cost Auditor forms part of the Notice convening the ensuing Annual General Meeting.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company had appointed Messrs. Robert Pavrey & Associates, a firm of Company Secretaries in Practice (C.P. No. 1848) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as **"Annexure 1"** and forms an integral part of this Report.

There have been no qualification(s), reservation(s), or adverse remark(s) or disclaimer(s) made in the Secretarial Audit Report by the Secretarial Auditor for the financial year 2021-22.

The Board of Directors at their meeting held on May 13, 2022 has appointed M/s. DM & Associates, Company Secretaries LLP (ICSI Unique Code – L2017MH003500) as the Secretarial Auditor for FY2022-23.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new / revised standard operating procedures.

The Company has entrusted the internal and operational audit to M/s. E&Y, LLP, a reputed firm of Chartered Accountants. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions are taken.

6. SHARE CAPITAL

The paid up Equity Share Capital of the Company as on March 31, 2022 was ₹ 168.68 crore. During the year under review, the Company has not issued any shares. As on March 31, 2022, none of the Directors of the Company hold any shares or instruments convertible into Equity Shares of the Company. During the year under review, the Company has not issued any shares with differential voting rights nor has granted any stock options or sweat equity or warrants.

7. PUBLIC DEPOSITS

During the under review, the Company has not accepted any public deposits under Section 73 of the Companies Act, 2013.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, form part of the notes to the Financial Statements.

9. DIRECTORS AND THEIR MEETINGS

A. Directors

During the year under review, the members regularized the appointment of Shri Vijay Patil (DIN: 07173161) as a Director (Non-Executive Director) at the previous AGM.

During the year under review, Shri R Narayanan ceased to be an Independent Director on February 26, 2022 on account of completion of second term as an Independent Director. Further, Shri Harish Chatterjee ceased to be the Manager of the Company effective from March 26, 2022 on account of completion of term. Shri Harish Chatterjee was re-appointed as a Manager for a period of 3 years effective from May 13, 2022.

Smt. Rashmi Mundada continues to be an Independent Woman Director on the Board of the Company.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Vijay Patil, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

During the year, 5 Board Meetings were convened and held as detailed below. The Board Meeting held and Attendance of Directors at the Meetings is given below:

SN	Name of Director	Date of Board Meeting				
		03-05-2021	27-07-2021	25-09-2021	22-10-2021	22-01-2022
1.	Shri Harish Chatterjee	✓	✓	✓	✓	✓
2.	Shri R. Narayanan	✓	✓	✓	✓	✓
3.	Smt. Rashmi Mundada	✓	✓	✓	✓	✓
4.	Shri Vijay Patil	✓	✓	✓	✓	✓

B. Independent Directors

All Independent Directors have given a declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and hold highest standards of integrity.

The Ministry of Corporate Affairs ("MCA") vide Notification Number G.S.R. 804(E) dated October 22, 2019 and effective from December 01, 2019 has introduced the provision relating to inclusion of names of Independent Directors in the Data Bank maintained by Institute of Corporate Affairs (IICA). Accordingly, the Independent Directors of the Company have registered themselves with IICA.

C. Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The Independent Directors of the Company met on February 22, 2022, without the presence of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors and the Board of Directors as a whole; review the performance of the Chairman of the Company and to assess the quality, quantity and timeliness of flow of information between the management and the board of directors. The Directors expressed their satisfaction with the evaluation process.

D. Key Managerial Personnel (KMPs)

During the year, Shri Akshat Chechani resigned as Company Secretary of the Company w.e.f. September 25, 2021 and Shri Waqar Siddiqui was appointed as Company Secretary w.e.f. October 22, 2021.

As on the date of this report, your Company has the following KMPs:

Sr. No.	Name of the Person	Designation
1	Shri Harish Chatterjee	Manager
2	Shri Srinivasa Vajha	Chief Financial Officer
3	Shri Waqar Siddiqui	Company Secretary

10. COMPLIANCE WITH SECRETARIAL STANDARDS

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with the applicable Secretarial Standards.

11. COMMITTEES OF THE BOARD

The Board has constituted the following committees:

A. Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rule, 2014, the Audit Committee Composition as on the date of this report is as under:

1. Shri Atul Dharap : Independent Director, Chairman
2. Smt. Rashmi Mundada : Independent Director, Member
3. Shri Harish Chatterjee : Executive Director, Member

The terms of reference of the Audit Committee are determined by the Board and their relevance reviewed from time to time.

Details of the Audit Committee Meetings held and Attendance of Directors at the Meetings is given below:

Sr. No.	Name of Director	DATE OF MEETING				
		03-05-2021	27-07-2021	25-09-2021	22-10-2021	22-01-2022
1.	Shri R. Narayanan	✓	✓	✓	✓	✓
2.	Smt. Rashmi Mundada	✓	✓	✓	✓	✓
3.	Shri Harish Chatterjee	✓	✓	✓	✓	✓

B. Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Board of Directors has constituted the Nomination and Remuneration Committee and framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

The Board has clearly defined terms of reference for Nomination and Remuneration Committee, which are as follows:

- to help in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/re-appointment and removal of Directors;
- to frame criteria for determining qualifications, positive attributes and independence of Directors;
- to recommend to the Board remuneration payable to the Directors (while fixing the remuneration

to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);

- to create an evaluation framework for Independent Directors and the Board;
- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;
- delegation of any of its powers to any Member of the Committee or the Company Secretary.

The Composition of Nomination and Remuneration Committee as on the date of this report is as under:

Shri Atul Dharap : Independent Director, Chairman.
Smt. Rashmi Mundada : Independent Director, Member
Shri Vijay Patil : Non-Executive Director, Member

The details of Nomination and Remuneration Committee Meeting held and Attendance of Directors at the meeting is given below:

Sr. No.	Name of Director	DATE OF MEETING	
		03-05-2021	22-10-2021
1	Shri R. Narayanan	✓	✓
2	Smt. Rashmi Mundada	✓	✓
5	Shri Vijay Patil	✓	✓

C. Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors of the Company constituted the Corporate Social Responsibility (CSR) Committee and spent an amount of ₹ 47 Lakh in pursuance of its Corporate Social Responsibility. A report on CSR activities and the contents of Corporate Social Responsibility policy annexed as "**Annexure 2**". Pursuant to Section 135(1) of the Companies Act, 2013, the Composition of CSR Committee as on the date of this report is as under:

Shri Atul Dharap : Independent Director, Chairman.
Smt. Rashmi Mundada : Independent Director, Member
Shri Harish Chatterjee : Executive Director

During the year under review, no meeting of CSR Committee was held.

The CSR Policy of the Company is also available on www.raymond.in

D. Committee of the Directors

The composition of the Committee of Directors as on the date of the report is as under:

1.	Shri Atul Dharap	:	Independent Director, Chairman
2.	Shri Harish Chatterjee	:	Executive Director, Member
3.	Shri Vijay Patil	:	Non –Executive Director, Member

The Board has clearly defined terms of reference for the Committee of Directors, which are as follows:

1. approval of transfer of shares and issue of duplicate/split/consolidation /sub-division of share certificates;
2. opening/modification of operation and closing of Bank Accounts;
3. to change the signatories for availment of various facility from Banks/Financial Institution;
4. to grant authority to execute and sign Foreign Exchange Contracts and Derivative Transactions;
5. grant of Special/General Power of Attorney in favour of employees of the Company from time to time in connection with the conduct of the business of the Company particularly with Government and Quasi- Government Institutions;
6. to approve Lease / Leave & License agreement for opening Retail outlets / EBO etc;
7. to carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to-time.

No meetings of the Committee of Directors were held during the year.

12. VIGIL MEHCANISM FOR DIRECTORS AND EMPLOYEES

Pursuant to Section 177(9) of the Companies Act, 2013, your Company has formulated the Vigil Mechanism/Whistle Blower policy to report genuine concerns to be disclosed. The policy is also displayed on www.raymond.in.

13. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year 2021-2022 were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Thus, disclosure in form AOC - 2 is not required.

14. RISK MANAGEMENT

The Company is exposed to risks from market fluctuations of foreign exchange, interest rates, commodity prices, business risks, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the risks. There are no risks which in the opinion of the Board of Directors threaten the existence of the Company.

15. REPORTING OF FRAUDS

There was no instance of fraud during the year under review which required the Statutory Auditors to report to the Audit Committee and/or Board under section 143(12) of the Companies Act, 2013 and the Rules framed thereunder.

16. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a. that in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b. that the directors have 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 as at March 31, 2022 and of the profit of the Company for the year ended on that date;
c. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. that the directors have prepared the annual accounts on a going concern basis; and
e. that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details as prescribed under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, on conversation of Energy, Technology absorption and foreign exchange earnings and outgo is annexed herewith as **"Annexure 3"** to this report.

18. ANNUAL RETURN

A copy of draft Annual Return for F.Y. 2021-22 has been placed at www.raymond.in

19. PARTICULARS OF EMPLOYEES

The provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2021 are not applicable.

20. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review, there were no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

21. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134 of the Companies Act, 2013, there are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report except for the impact arising out of COVID-19, which is detailed below in this Report.

22. AWARDS

Your Company continues to win awards year-after-year, reiterating its credible market position. Details of awards received by the Company are as under:

- M/S Greentech foundation : 20th Annual Greentech Safety India Award for Safety Excellence
- M/S Greentech foundation : 21st Annual Greentech Environment Award for Environment Protection
- Maharashtra Energy Development Agency : 16th State level Energy Conservation and Management award

23. IMPACT OF COVID-19

In March 2020, the WHO declared COVID-19 to be a pandemic. Consequent to this, Government of India declared national lockdown on March 24, 2020, which impacted business activities of the Company. In December, 2021, the country was hit by a third wave which worsened the situation and all hopes of revival were put to rest.

The impact of COVID-19 during FY2021-22 affected the first quarter post which the economy showed signs of recovery. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of the financial statements.

24. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints, redressal is placed on the intranet for the benefit of its employees. An Internal Complaints Committee has been set up in compliance with the said Act. There were no complaints filed against any of the employees of the Company.

25. DISCLOSURES

No application has been made under the Insolvency and Bankruptcy Code. The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

26. ACKNOWLEDGEMENT

The Directors express their appreciation to all the employees for their dedication and commitment. The Directors also extend their appreciation to the Banks for their continued support and co-operation.

For and on behalf of the Board of Directors of
For **Raymond Luxury Cottons Limited**

	Sd/-	**Sd/-**
	Harish Chatterjee	**Vijay Patil**
May 13, 2022	**Director**	**Director**
Mumbai	**DIN: 03560685**	**DIN: 07173161**

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Raymond Luxury Cottons Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Raymond Luxury Cottons Limited (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 (“**Audit Period**”) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of :

(i) The Companies Act, 2013 (‘Act’) and rules made thereunder; and
(ii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, there were no events/ actions in pursuance of:

(iii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
(iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(v) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(vi) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
(vii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(viii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
(ix) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(x) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
(xi) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
(xii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

requiring compliance thereof by the Company during the Audit Period.

We report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

(i) Competition Act, 2002;
(ii) Consumer Protection Act, 1986; and
(iii) The Legal Metrology Act, 2009.

We further report that the Board of Directors of the Company is duly constituted with proper balance of executive directors, non-executive directors and independent directors.

Adequate notice is given to all the directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the respective meetings of the Board or Committee thereof.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Robert Pavrey & Associates
Company Secretaries

4/8, Santacruz Mansions, 2nd Floor, Santacruz (E), Mumbai 400055
Tel: +91 22 6710 0130/31 • Fax: +91 22 2610 8160 • Email: contact.us@rpacs.in

We further report that, during the Audit Period, the following event occurred which had a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations and guidelines.

- Appointment of Company Secretary of Company with effect from October 22, 2021.
- Availing Inter Corporate Deposit From J. K. Investo Trade (India) Limited for an amount not exceeding Rs.10 Crore.
- Regularization of Mr. Vijay Nana Patil from Additional Director to Director.

For **ROBERT PAVREY& ASSOCIATES**
Company Secretaries

Place: Mumbai
Dated: May 2, 2022

ROBERT PAVREY
Proprietor
FCS 2928 CP. No. : 1848
UDIN: F002928D000255081

This report is to be read with Annexure A which forms an integral part of this report.

Annexure A

To,
The Members
Raymond Luxury Cottons Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Whereever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **ROBERT PAVREY& ASSOCIATES**
Company Secretaries

Place: Mumbai
Dated: May 2, 2022

ROBERT PAVREY
Proprietor
FCS 2928 CP. No. : 1848
UDIN: F002928D000255081

Annexure – 2

Annual Report on CSR Activities

Brief outline of the Company's CSR Policy:
The CSR Policy was approved by the Board of Directors and has been uploaded on the Company's website. A gist of the program that the Company can undertake under the CSR policy is mentioned below. The weblink is http://www.raymond.in

1. The composition of the CSR Committee as on the date of this report:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Atul Dharap	Chairman, Independent Director	0	0
2.	Smt. Rashmi Mundada	Member, Independent Director	0	0
3.	Shri Harishkumar Chatterjee	Member, Executive Director	0	0

2. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: http://www.raymond.in
3. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): NA
4. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: NA

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
Not Applicable			

5. Average net profit of the company as per section 135(5): Nil

6. (a) Two percent of average net profit of the company as per section 135(5): Nil
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
   (c) Amount required to be set off for the financial year, if any: NIL
   (d) Total CSR obligation for the financial year (6a+6b-6c): NIL

7. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	**Amount Unspent (in Rs.)**				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		**Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)**		
	Amount	**Date of transfer**	**Name of the Fund**	**Amount**	**Date of transfer**
NA	Nil	Nil	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act**	**Local area (Yes/No)**	**Location of the project**		**Project duration**	**Amount allocated for the project (in Rs.)**	**Amount spent in the current financial Year (in Rs.)**	**Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)**	**Mode of Implementation - Direct (Yes/No)**	**Mode of Implementation - Through Implementing Agency**	
				State	**District**						**Name**	**CSR Registration number**
-	-	-	-	-	-	-	-	-	-	-	-	-

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

1	2	3	4	5		6	7	8	
Sl. No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act**	**Local area (Yes/No)**	**Location of the project**		**Amount spent for the project (in Rs.)**	**Mode of Implementation - Direct (Yes/No)**	**Mode of Implementation - Through Implementing Agency**	
				State	**District**			**Name**	**CSR Registration number**
Not Applicable									

(d) Amount spent in Administrative Overheads: NA

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (7b+7c+7d+7e): NA

(g) Excess amount for set off, if any: NA

Sl. No.	**Particular**	**Amount (in Rs.)**
i.	Two percent of average net profit of the company as per section 135(5)	-
ii.	Total amount spent for the Financial Year	-
iii.	Excess amount spent for the financial year [(ii)-(i)]	-
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

8. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
-	-	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing
1.	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NA

(Asset-wise details)

(a) Date of creation or acquisition of the capital asset(s): NA
(b) Amount of CSR spent for creation or acquisition of capital asset: NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

Sd/-	Sd/- (Chairman – CSR Committee)
Shri Harishkumar Chatterjee Director DIN: 03560685	Shri Atul Dharap Director DIN: 00631703

CONTENTS OF CORPORATE SOCIAL RESPONSIBILITY POLICY

Our aim is to be one of the most respected Companies in India delivering superior and sustainable value to all our customers, business partners, shareholders, employees and host communities.

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

The Company's commitment to CSR projects and programs will be by investing resources into any of the following areas:

- ✓ Improving the quality of life in rural areas;
- ✓ Eradicating hunger, poverty and malnutrition;
- ✓ Promoting healthcare including preventive healthcare;
- ✓ Employment enhancing vocational Skills;
- ✓ Promotion of education including investment in technology in schools;
- ✓ Ensuring environmental sustainability including measures for reducing inequalities faced by socially and economically backward groups;
- ✓ Promoting sports including rural and Olympic sports;
- ✓ Contribution to funds for promoting technology;
- ✓ Investing in various rural development projects;
- ✓ Contributing to the Prime Minister's National Relief Fund or any other fund setup by the Central Government for development and relief; and
- ✓ Other areas approved by the CSR Committee that are covered in the CSR Rules as amended from time-to-time

Annexure 3

CONSERVATION OF ENERGY, TECHNICAL ABSORPTION AND FOREIGN EXCHANGE AND OUTGO

(Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014)

<table>
<tr><td>(A)</td><td colspan="2">Conservation of energy-</td></tr>
<tr><td>(i)</td><td>the steps taken to conserve energy;</td><td>The company is making continuous efforts on ongoing basis for energy conservation by adopting innovative measures to reduce wastage and optimize consumption. Some of the specific measures undertaken by the Company in this direction at its textile units located at Kolhapur and Amravati are as under:

Kolhapur Plant:

1. Energy saving in boiler by installing Effimax and blowdown system.
2. Installation on line monitoring system in ETP
3. Energy saving by installation of pre screen in Coal Handling Plant reduce the power and fines percentage.
4. Energy saving by recovering waste heat from flash steam.
5. Replacement of normal indication lamps by LED indication lamps in some of the machines.
6. Installation of Energy saving brushless DC ceiling fans.
7. Replacement of low energy efficient motors with IE3/4 energy efficient motors.
8. Installation of LED Lights.
9. Energy conservation by increase in low temperature dyes in dyeing department.
10. Rain water harvesting

Amravati Plant:

1. Energy saving by Ring Frame H plant automation.
2. Power saving in Luwa humidification plant by incorporating DPGT waste recovery line with drive automation.</td></tr>
</table>

		3. Energy saving in Weaving H plant by VFD installation in Washer pumps 4. Replacement of normal indication lamps by LED indication lamps in All Picanol looms. 5. Installation of motion sensor in office and toilet area to save electrical power in lighting and exhaust fans. 6. Replacement of IE2 motors by Energy Efficient motor IE3 in two Ring Frame machines 7. Reduction of Changeover time in knotting/ gaiting 8. Installation of Fogging spray system in Weaving H-plant These measures have also led to power saving, reduced maintenance time and cost, improved hygienic condition and consistency in quality and improved productivity.
(ii)	the steps taken by the company for utilizing alternate sources of energy;	**Kolhapur Plant:** Installed I MW Roof top solar as a step towards sustainable initiative by use of renewable energy. **Amravati Plant:** Installation solar water heaters at canteen from energy conservation point of view as well as a step towards sustainable initiative by use of renewable energy.
(iii)	the capital investment on energy conservation equipment's;	The Capital investment on energy conservation equipment's is Rs. 47.21 lakhs during the FY 2021-2022.
(B)	**Technology absorption-**	
(i)	the efforts made towards technology absorption;	**Kolhapur Plant:** 1. Use of low temperature Avitra dyes in dyeing 2. Installation of digital coal weighing system on coal conveyor belt – For measuring daily coal consumption with more accuracy **Amravati Plant:** 1. Installation of Air flow monitoring system for air consumption monitoring 2. Scada system for Draw frame machine production parameters 3. Installation of Online continuous effluent monitoring system (OCEMS) with valve automation and auto

		sampler at ETP and online effluent parameters data connectivity with CETP and MPCB server (as per MPCB/CETP compliance) 4. Installation of Online TDS and pH monitoring system in process water tank 5. Installed digital CFM meters in machine locations for continuous air consumption monitoring and recording. 6. Installed Wireless Fire alarm annunciation at Boiler, Canteen and ETP 7. Interfacing of Data log with weighing scale at Fabric inspection and SAP. 8. Online Pressure monitoring at PRS outlet at dyeing for continuous monitoring of steam pressure. 9. Installation of flasher cum sound indicators in Material handling equipment 10. In –house modification done in bleaching carriage due to which bleaching production increased by 12.5%
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	1. Cost reduction in manufacturing by reducing the specific power consumption in RF dryer, Ring Frame, Dyeing Following New Fabrics / Finishes introduced during the year: 1. Sustainability products like Linen Sorona Fabric 2. Linen Tencel Intimate Blended products 3. Linen Silk Intimate blend yarn 4. 100% Lycocel products 5. Eco Repell Finishes 6. F 3 Finish 7. Ecovera Finishes 8. Fragrance Finish: - Must, Rose and Alovera
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	N.A.
(a)	the details of technology imported;	
(b)	the year of import;	
(c)	whether the technology been fully absorbed; and	
(d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	Nil

(C)	**Foreign exchange earnings and Outgo –**	
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	During the year Foreign Exchange earnings was ₹ 3372.17 Lakh (Previous Year: ₹ 1553.58 Lakh). The Foreign Exchange outgo during the year was ₹ 7747.74 Lakh (Previous Year: ₹ 7279.10 Lakh).

INDEPENDENT AUDITOR'S REPORT

To the Members of Raymond Luxury Cottons Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Raymond Luxury Cottons Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss, Statement of Changes in Equity and 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.

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its Profit (Including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw your attention to Note no.44, to the financial statements, which explains the uncertainties and the management's assessment of the financial impact due to the lockdowns and other restrictions and conditions related to COVID 19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon the circumstances as they evolve.

Our opinion is not modified in this matter.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibility of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 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 statement 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 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:

- 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 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.

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 8, 38 and 41 to the financial statements;

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022.

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 securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries

ii. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (i) and (ii) above contain any material misstatement.

e. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar
Partner
Membership No.103418
UDIN: 22103418AJLTZX2877

Place: Mumbai
Date: 13 May 2022

Annexure A to Independent Auditor's Report – March 31, 2022

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of Raymond Luxury Cottons Limited ('the Company') on the financial statements for the year ended March 31, 2022, we report the following:

i. a) i) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.
ii) The Company has maintained proper records showing full particulars of intangible assets.

b) The Company has a regular program of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.

c) The Company does not own any immovable property (including investment properties, other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3 (i) (c) of the Order is not applicable to the Company.

d) The Company has not revalued its Property, Plant and Equipment, Right of Use assets and intangible assets during the year.

e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i) (e) of the Order is not applicable to the Company.

ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.

(b) The Company has a working capital limit in excess of Rs 5 crores sanctioned by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were subject to audit.

iii. The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

iv. According to information and explanation given to us, during the year the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act and the Company has not made investment hence, provision of Section 186 of the Act is not applicable to the Company. Accordingly paragraph 3(iv) of the order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits from public and hence the directives issued by Reserve Bank of India and relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), the rules framed there under shall not apply. Accordingly, Paragraph 3(v) of the Order is not applicable to the Company.

vi. According to the information and explanation given to us, We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of manufacturing activities and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

vii. (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, , duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

viii. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

ix. (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3 (x) (a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3 (x) (b) of the Order is not applicable to the Company.

xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.

(b) We were unable to obtain some of the Internal Audit Reports of the Company on timely basis, hence the Internal Audit Reports have been considered by us, only to the extent made available to us.

xv. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.

xvii. The Company has not incurred cash losses in the financial year but had incurred cash losses amounting to Rs. 1918.33 lakhs in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. According to the information and explanations given to us, The Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company

xxi. The reporting under clause (xxi) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar
Partner
Membership No.103418

UDIN: 22103418AJLTZX2877

Place: Mumbai
Date: 13 May 2022

Annexure B to Independent Auditor's Report – March 31, 2022 on the Financial Statements of Raymond Luxury Cottons Limited

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

We have audited the internal financial controls with reference to standalone financial statements of Raymond Luxury Cottons Limited ('the Company') as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone 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 (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 with reference to standalone financial statements 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") and the Standards on Auditing as specified 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 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 with reference to standalone financial statements 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that 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 standalone 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 with reference to these standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to these standalone Financial Statements

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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, 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, 2022, 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 ICAI.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Lalit R. Mhalsekar
Partner
Membership No.103418

UDIN: 22103418AJLTZX2877

Place: Mumbai
Date: 13 May 2022

Raymond Luxury Cottons Limited

New Hind House Narottam morarji Marg Ballard Estate Fort Mumbai Mh 400001
CIN - U17120MH2004PLC149276

Balance sheet as at 31st March 2022

(Rs. in Lakhs)

Sr No.	Particulars	Note	March 2022	March 2021
I	**ASSETS**			
1	**Non-current Assets**			
	a) Property, Plant and Equipment	2(a)	**34,412.32**	37,922.03
	b) Capital work-in-progress	2(a)	**23.78**	223.57
	c) Right-of-Use Assets	2(b)	**242.14**	256.10
	d) Intangible assets	3	**0.35**	0.87
	e) Financial Assets			
	(i) Others financial assets	4	**54.36**	54.24
	f) Deferred Tax Assets (Net)	5	**727.93**	790.99
	g) Assets for Income Tax (Net)		**18.29**	-
	h) Other non-current assets	6	**3,415.55**	3,267.39
2	**Current assets**			
	a) Inventories	7	**12,623.46**	9,064.69
	b) Financial Assets			
	(i) Trade receivables	8	**10,477.04**	8,294.36
	(ii) Cash and cash equivalents	9	**2,000.27**	17.12
	(iii) Bank Balances other than Cash and cash equivalents	10	**1,034.29**	991.84
	(iv) Loans	11	**0.61**	0.09
	(v) Others financial asset	12	**951.55**	1,060.35
	c) Other current assets	13	**465.80**	551.57
	TOTAL ASSETS		**66,447.74**	62,495.21
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	14	**16,868.00**	16,868.00
	b) Other equity	15	**8,824.54**	8,739.76
	Liabilities			
2	**Non-current liabilities**			
	a) Financial Liabilities			
	(i) Borrowings	16	**7,616.25**	7,505.95
	(ii) Lease liability	17	**303.53**	311.12
	b) Provisions	22	**81.85**	0.87
	c) Tax Liabilities (Net)		**-**	62.09
	d) Other non - current liabilities	18	**1,797.80**	2,138.32
3	**Current liabilities**			
	a) Financial Liabilities			
	(i) Borrowings	19	**13,230.06**	14,498.27
	(ii) Lease liability	17	**8.96**	8.04
	(iii) Trade payables	20		
	-Total outstanding dues of micro enterprises and small enterprises		**769.27**	637.94
	-Total outstanding dues of creditors other than micro enterprises and small enterprises		**14,548.31**	9,333.44
	(iv) Other financial liabilities	21	**1,276.84**	1,370.06
	b) Provisions	22	**535.69**	437.31
	c) Other current liabilities	23	**586.64**	584.04
	TOTAL EQUITY AND LIABILITIES		**66,447.74**	62,495.21
	Significant Accounting Policies	1		

The accompanying notes are an integral part of these financial statements.

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

For and on Behalf of Board of Directors

Harishkumar Chatterjee
Director
DIN: 03560685

Vijay Patil
Director
DIN: 07173161

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Mumbai, 13 May, 2022

Srinivasa Bharadwaja Vajha
Chief Financial Officer
Mumbai, 13 May, 2022

Mohammad Waqar Siddiqui
Company Secretory

Raymond Luxury Cottons Limited

New Hind House Narottam morarji Marg Ballard Estate Fort Mumbai Mh 400001
CIN - U17120MH2004PLC149276

Statement of Profit and Loss for the year ended 31st March 2022

(Rs. in Lakhs)

Sr No.	Particulars	Note	Year Ended March 2022	Year Ended March 2021
I	**INCOME**			
	Revenue from Operations	24	**57,176.40**	25,782.34
	Other Income	25	**586.47**	486.57
	Total Income		**57,762.87**	26,268.91
II	**EXPENSES**			
	Cost of materials consumed	26	**28,177.99**	11,661.97
	Changes in inventories of finished goods and work-in progress	27	**(669.22)**	786.82
	Employee benefits expense	28	**7,521.81**	5,275.69
	Finance costs	29	**1,886.35**	2,368.28
	Depreciation and amortization expense	30	**3,911.70**	3,973.06
	Other expenses	31		
	i) Manufacturing and Operating Costs	31 A	**14,115.49**	5,857.90
	ii) Other expenses	31 B	**2,547.57**	2,183.76
	Total expenses		**57,491.69**	32,107.48
III	**Profit before exceptional items and tax (I-II)**		**271.18**	(5,838.57)
IV	**Profit before tax**		**271.18**	(5,838.57)
V	**Tax expense**	5		
	Current tax		**32.42**	-
	Tax Pertaining to earlier years			
	MAT Credit availed/Receivable		**(32.42)**	-
	Deferred tax charge/(Credit)		**127.25**	(2,019.50)
VI	**Profit/(Loss) for the period (IV - V)**		**143.93**	(3,819.07)
VII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements Gain/(Loss) of net defined benefit plans	37	**(90.92)**	58.03
	(ii) Income tax (Charge)/Crediton (i) above		**31.77**	(20.23)
	Other Comprehensive Income for the quarter/year (i-ii)		**(59.15)**	37.80
VIII	**Total Comprehensive Income for the year (VI + VII)**		**84.78**	(3,781.27)
IX	**Earnings per equity share of Rs. 10 each (in Rs.):**			
	Basic	57	**0.09**	(2.26)
	Diluted		**0.09**	(2.26)
	Nominal Value per share (in Rs.)		**10.00**	10.00

The accompanying notes are an integral part of these standalone financial statements.
This is the Statement of Profit and Loss referred to in our report of even date.

As per our Report of even date

For and on Behalf of Board of Directors

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Harishkumar Chatterjee
Director
DIN: 03560685

Vijay Patil
Director
DIN: 07173161

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Mumbai, 13 May, 2022

Srinivasa Bharadwaja Vajha
Chief Financial Officer
Mumbai, 13 May, 2022

Mohammad Waqar Siddiqui
Company Secretory

Raymond Luxury Cottons Limited

New Hind House Narottam morarji Marg Ballard Estate Fort Mumbai Mh 400001
CIN - U17120MH2004PLC149276

Statement of Cash Flow for the year ended 31st March 2022

(Rs. in Lakhs)

Particulars	Year Ended	
	March 2022	March 2021
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	**271.18**	(5,838.57)
Adjustments for:		
Depreciation and amortisation expenses	**3,911.70**	3,973.06
Loss/(gain) on sale of fixed assets	**2.20**	(3.73)
Interest income	**(70.76)**	(92.81)
Unrealised exchange Loss/(Gain)	**(82.38)**	261.34
Finance Costs	**1,886.35**	2,368.28
Deferred Income on Government Grant	**(346.76)**	(347.13)
Remeasurements Gain/(Loss) of net defined benefit plans	**(90.92)**	58.03
Operating profit before working capital changes	**5,480.61**	378.47
Adjustments for:		
Decrease/(Increase) in Trade and Other Receivables	**(2,378.05)**	5,749.60
Decrease/(Increase) in Inventories	**(3,558.77)**	2,968.98
(Decrease)/Increase in Liabilities and Provision	**5,331.72**	(4,288.38)
Cash generated from operations	**4,875.51**	4,808.67
Taxes (paid)/refund	**(143.05)**	384.54
Net cash generated from operating activities - [A]	**4,732.46**	5,193.20
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment/ intangible assets/CWIP	**285.28**	(139.25)
Sale proceeds of property, plant and equipment	**12.75**	5.08
Interest received	**70.76**	92.81
Net cash used in investing activities - [B]	**368.79**	(41.36)
CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of borrowings	**(547.95)**	(2,194.84)
Short Term borrowings availed / Repaid - (net)	**(609.96)**	(479.15)
Interest Paid	**(1,882.09)**	(2,389.61)
Leases Paid	**(35.65)**	(34.88)
Net cash generated from financing activities - [C]	**(3,075.65)**	(5,098.49)
Net increase/(decrease) in cash and cash equivalents - [A+B+C]	**2,025.60**	53.36
Add: Cash and cash equivalents at the beginning of the year (Refer note no 9 and 10)	**1,008.96**	955.60
Cash and cash equivalents at the end of the year (Refer note no 9 and 10)	**3,034.56**	1,008.96
The accompanying notes are an integral part of these financial statements		

Note

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows' referred to in section of 133 of Companies Act, 2013.

Changes in Liabilities arising from Financing Activities

Particulars	Opening Balance	Non Cash/ Accruals/ Fair value Changes	Cash Flows	Closing Balance
For the year eneded March 31, 2022				
Long term borrowings including Current Maturities	**12,107.58**	**-**	**(547.95)**	**11,559.63**
Short term borrowings	**9,896.64**	**-**	**(609.96)**	**9,286.68**
Interest accrued on long term borrowings	**64.72**	**-**	**(6.29)**	**58.43**
For the year eneded March 31, 2021				
Long term borrowings including Current Maturities	14,302.42	-	(2,194.84)	12,107.58
Short term borrowings	10,375.79	-	(479.15)	9,896.64
Interest accrued on long term borrowings	92.52	-	(27.80)	64.72

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

For and on Behalf of Board of Directors

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Director
DIN: 03560685

Vijay Patil
Director
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Partner
Membership Number: 103418
Mumbai, 13 May, 2022

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Chief Financial Officer
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Mohammad Waqar Siddiqui
Company Secretory

Raymond Luxury Cottons Limited

New Hind House Narottam morarji Marg Ballard Estate Fort Mumbai Mh 400001

CIN - U17120MH2004PLC149276

Statement of Changes in Equity as at 31st March 2022

A. Equity share capital

(Rs. in Lakhs)

Particulars	Note	Amounts
As at 1 April 2020		16,868.00
Changes in equity share capital due to prior period error		-
Restated Balance as at 1 April 2020		16,868
Changes in equity share capital	13A	-
As at 31 March 2021		16,868.00
Changes in equity share capital due to prior period error		-
Restated Balance as at 1 April 2021		**16,868**
Changes in equity share capital	**13A**	**-**
As at 31 March 2022		**16,868.00**

B. Other equity

(Rs. in Lakhs)

Particulars	Note	Reserves and Surplus	Other Reserves	Total
		Retained Earnings	Other Comprehensive Income	
Balance as at 1st April 2020	13B	12,609.06	(88.03)	12,521.03
Changes in accounting policy or prior period error		-	-	-
Restated Balance as at 1 April 2020		12,609.06	(88.03)	12,521.03
Profit for the year		(3,819.07)	37.80	(3,781.27)
Balance as at 31st March 2021	13B	8,789.99	(50.23)	8,739.76
Changes in accounting policy or prior period error		-	-	**-**
Restated Balance as at 1 April 2021		**8,789.99**	**(50.23)**	**8,739.76**
Profit for the year		**143.93**	**(59.15)**	**84.78**
Balance as at 31st March 2022	13B	**8,933.92**	**(109.38)**	**8,824.54**
The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.				

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

For and on Behalf of Board of Directors

Harishkumar Chatterjee
Director
DIN: 03560685

Vijay Patil
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Lalit R. Mhalsekar
Partner
Membership Number: 103418
Mumbai, 13 May, 2022

Srinivasa Bharadwaja Vajl
Chief Financial Officer
Mumbai, 13 May, 2022

Mohammad Waqar Siddiqui
Company Secretory

Raymond Luxury Cottons Limited
Notes to the Financial Statements

BACKGROUND
Raymond Luxury Cottons Limited ('the Company') (CIN: U17120MH2004PLC149276), incorporated in Mumbai, Maharashtra, India, carries on business of textiles. The Company is involved in manufacturing of Linen Yarn, Cotton and Linen fabric. The Company is a subsidiary of Raymond Limited.

Note 1 :- STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF PREPARATION

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('the Act') read with of the Companies (Indian Accounting standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies have been consistantly applied except, where a newly issued accounting standards is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following :
1) certain financial assets and liabilities that are measured at fair value;
2) defined benefit plans - plan assets measured at fair value.

(iii) Current non-current classification

All assets and liabilities have been classified as current or non current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

Recent accounting development

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below

Ind AS 16, Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or oss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

Ind AS 37, Provisions, Contingent Liabilities and Contingent Asset

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

(B) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Property, plant and equipment

Cost of an item of PPE comprises of its purchase price including import duties and non refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and present value of estimated costs of dismantling and removing the item and restoring the site on which it is located.

All items of property, plant and equipments are stated at cost of acquisition, less accumulated depreciation and impairments, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company 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 Statement of Profit and Loss during the reporting period in which they are incurred.
Expenses incurred relating to project, prior to commencement of commercial operations are considered as project development expenditure and shown under Capital Work In Progress.

(b) Depreciation and amortisation

(i) Depreciation on Factory Buildings and Plant and Machinery is provided on a Straight Line Method and in case of other assets on Written Down Value Method, over the estimated useful life of assets. Based on an independent technical evaluation, the useful life of Plant and Machinery was estimated as 24 years (on a single shift basis), which is different from that prescribed in Schedule II of the Act.

The useful life of factory building has been taken as 19 years and 20 years based on the management estimate for the additions made during the year which is different from that prescribed in Schedule II of the Act.

(ii) Cost of Leasehold Land is amortized over the period of lease.

(iii) Depreciation on additions to assets or on sale/discardment of assets, is calculated pro rata from the month of such addition or up to the month of such sale/ discardment, as the case may be.

(iv) The residual values are not more than 5% of the original cost of the asset. The asset residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(v) Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss.

(c) Intangible assets

i) **Computer Software**

Computer software are stated at cost of acquisition, less accumulated amortization and impairments, if any.

ii) **Amortisation methods and useful life**

The Company amortises computer software using the straight-line method over the period of 3 years. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss.

(d) Lease

Company as a lessee

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been presented in the Balance Sheet as a part of Property, plant and equipment and lease payments have been classified as financing cash flows.

Company as a lessor

Lease income from operating leases where the company is lessor is recognised in income on straight line basis over the lease term.

(e) Cash and Cash Equivalents

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

Cash Flow

Cash flows are reported using the indirect method, whereby profit for the period 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 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. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

(f) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment.

(g) Inventories

Raw materials, packing materials, finished goods, work in progress, stores and spares are stated at the lower of cost and net realisable value. Cost of raw materials comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure,the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost is ascertained based on the continuous moving weighted average basis. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

(h) Investments and other financial assets

i) Classification

The company classifies its financial assets in the following measurement categories:
1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
2) those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

ii) Measurement

At initial recognition, the company measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit or Loss are expensed in the Statement of Profit and Loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments:

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

a) **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

b) **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses) Interest income from these financial assets is included in other income using the effective interest rate method.

c) **Fair value through statement of profit or loss**: Assets that do not meet the criteria for amortised cost are measured at fair value through Statement of Profit or Loss. Interest income from these financial assets is included in other income.

Equity Instruments

The Company measures its investment in subsidiary at cost less impairment if any. The Company subsequently measures all equity investments other than above at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

iv) Derecognition of Financial Assets

A financial asset is derecognized only when
1) The company has transferred the rights to receive cash flows from the financial asset; or
2) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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

(i) 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.

(j) Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For assessing impairment, assets are Entityed at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Entitys of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(k) Derivative financial instruments

Derivative financial instruments, such as forward currency contracts, option contract and cross currency swap, to hedge its foreign currency risks and interest rate risks. Such derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognized in the statement of profit and loss, in the period when they arise.

(l) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest method.

(m) Borrowing

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable some or all of the facility would be drawn down the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash transferred or liabilities assumed, is recognized in the Statement of Profit and Loss.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the term investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.
Other borrowing costs are expensed in the period in which they are incurred.

(n) Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognize a contingent asset unless the recovery is virtually certain.

(o) Financial Liabilities

(i) Financial Liabilities initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(ii) Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(p) Revenue Recognition

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.
As per IND AS 115 - Revenue from Contracts with Customers, entity shall recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. The control of the products and services were transfer at a time, where in performance obligation and Control of goods or services transferred over a time.

Sale of goods

In case of domestic customer, generally performance obligation satisfied and transferred the control when goods are dispatched or delivery is handed over to transporter, in case of export customers, generally performance obligation satisfied and transferred the control, when goods are shipped onboard based on bill of lading.

Sales Return

The company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

Other operating revenue - Export incentives

Export Incentives under various schemes are accounted in the year of export.

Interest income :

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends :

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

(q) Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and are deducted from the related expenses.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities/current liabilities as deferred income and are credited to the Statement of profit and loss on a straight-line basis over the expected lives of the related assets and presented within other income.

(r) Employees benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised 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.

ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligations

(a) defined benefit plans such as gratuity
(b) defined contribution plans such as provident fund

Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuary using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

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 employee benefit expense in the Statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised 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 recognised immediately in the Statement of profit or loss as past service cost.

Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b) when the company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(s) Foreign currency transactions

Functional and presentation currency

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(t) Income Tax

i) 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 current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

ii) Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

iii) 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.

iv) Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

v) Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

(u) Earnings Per Share

i) Basic earnings per share

Basic earnings per share is calculated by dividing:
1) the profit attributable to owners of the company
2) by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

1) the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

2) the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

(v) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(w) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors assesses the financial performance and position of the company, and makes strategic decisions.

(x) Use of Estimates and Judgement

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

(C) CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

1) Useful life of Property, Plant and Equipment including intangible assets: Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2) Taxes : The Entity provides for tax considering the applicable tax regulations and based on probable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

3) Defined benefit plans (gratuity benefits): The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the
post-employment benefit obligation. The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

4) Provisions and Contingent liabilities are reviewed at each balance sheet date and adjusted to reflect best estimate.

5) Estimate with respect to uncertainities related to Covid 19.(Refer Note 44)

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 2(a) - Property, Plant and Equipment

(Rs. in lakhs)

Particulars	Lease Hold Land#	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Total	Capital Work in progress*
Gross Carrying Amount								
Balance as at 31st March 2020	252.47	11,725.63	44,217.35	382.30	8.33	64.35	56,650.44	391.04
Additions		139.02	133.27	2.20		0.44	274.93	107.46
Disposals					7.78		7.78	(274.93)
Relclassification		-	-				-	-
Balance as at 31st March 2021	252.47	11,864.65	44,350.62	384.50	0.55	64.79	56,917.58	223.57
Additions	**-**	**176.57**	**169.46**	**46.58**	**-**	**8.47**	**401.08**	**201.29**
Disposals	**-**	**-**	**131.31**	**1.71**	**-**	**-**	**133.02**	**(401.08)**
Relclassification	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at 31st Mar 2022	**252.47**	**12,041.22**	**44,388.77**	**429.37**	**0.55**	**73.26**	**57,185.64**	**23.78**
Accumulated Depreciation								
Balance as at 31st March 2020	13.85	1,488.53	13,266.01	230.00	6.78	41.90	15,047.07	
Charge for the year	2.77	490.38	3,412.74	39.30	0.06	9.66	3,954.91	
Disposals					6.43		6.43	
Balance as at 31st March 2021	16.62	1,978.91	16,678.75	269.30	0.41	51.56	18,995.55	
Charge for the year	**2.77**	**477.59**	**3,377.03**	**32.13**	**-**	**6.32**	**3,895.84**	
Disposals	**-**	**-**	**116.45**	**1.62**	**-**	**-**	**118.07**	
Balance as at 31st Mar 2022	**19.39**	**2,456.50**	**19,939.33**	**299.81**	**0.41**	**57.88**	**22,773.32**	
Net Carrying Amount								
Balance as at 31st Mar 2022	**233.08**	**9,584.72**	**24,449.44**	**129.56**	**0.14**	**15.38**	**34,412.32**	
Balance as at 31st March 2021	235.85	9,885.74	27,671.87	115.20	0.14	13.23	37,922.03	

The lease term in respect of asset acquired under finance lease expires after a periods of 95 years. As per agreement, the lesser shall grant the lessee a new lease of the demised premises for a further term of 95 years. The option lapses if the lessee do not comply with the covenants and conditions as mentioned in the lease agreement. Other than Land there are two more assets taken on Lease which have 5 years lease term, which are included in above Lease assets as per Ind AS 116.

Assets pledged as security agaist borrowing refer note no 36

* **Capital Work in Progress Ageing as at 31st March, 2022**

(Rs. in lakhs)

CWIP	**Amount in CWIP for a period of**			**Total**
	Less than 1 year	**2-3 years**	**More than 3 years**	
Projects in progress*	**23.79**	**-**	**-**	**23.79**
Projects temporarily suspended	**-**	**-**	**-**	**-**
***The project has not exceeded its cost compared to its original plan**				

(Rs. in lakhs)

CWIP	**To be completed in**			**Total**
	Less than1 year	**2-3 years**	**More than 3 years**	
Project exceeded Original Cost	**-**	**-**	**-**	**-**

Capital Work in Progress Ageing as at 31st March, 2021

(Rs. in lakhs)

CWIP	Amount in CWIP for a period of			Total
	Less than 1 year	2-3 years	More than 3 years	
Projects in progress	221.56	-	-	223.57
Projects temporarily suspended	-	-	-	-
*The project has not exceeded its cost compared to its original plan				

(Rs. in lakhs)

CWIP	To be completed in			Total
	Less than1 year	2-3 years	More than 3 years	
Project exceeded Original Cost	-	-	-	-

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 2(b) - Right-of-Use Assets

(Rs. in lakhs)

Particulars	Building	Total
Gross Carrying Amount		
Balance as at 1st April 2020	282.93	282.93
Transition on account of adoption of Ind AS 116*	-	-
Additions	-	-
Disposals	-	-
Balance as at 31st March 2021	282.93	282.93
Additions	-	-
Disposals	-	-
Balance as at 31st Mar 2022	**282.93**	**282.93**
Accumulated Depreciation		
Balance as at 1st April 2020	12.87	12.87
Charge for the year	13.96	13.96
Disposals	-	-
Balance as at 31st March 2021	26.83	26.83
Charge for the year	**13.96**	**13.96**
Disposals	**-**	**-**
Balance as at 31st Mar 2022	**40.79**	**40.79**
Net Carrying Amount		
Balance as at 31st Mar 2022	**242.14**	**242.14**
Balance as at 31st March 2021	256.10	256.10
* Leasehold Building is reclassified on account of adoption of Ind AS 116		

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 3 - Intangible Assets

(Rs. in lakhs)

Particulars	Software	Total
Gross Carrying Amount		
Balance as at 31st March 2020	25.82	25.82
Additions	0.43	0.43
Disposals	-	-
Balance as at 31st March 2021	26.25	26.25
Additions	**1.37**	**1.37**
Disposals	**-**	**-**
Balance as at 31st Mar 2022	**27.62**	**27.62**
Accumulated Depreciation		
Balance as at 31st March 2020	21.18	21.18
Charge for the year	4.19	4.19
Disposals	-	-
Balance as at 31st March 2021	25.37	25.37
Charge for the year	**1.90**	**1.90**
Disposals	**-**	**-**
Balance as at 31st Mar 2022	**27.27**	**27.27**
Net Carrying Amount		
Balance as at 31st Mar 2022	**0.35**	**0.35**
Balance as at 31st March 2021	0.87	0.87

other than Internally generated.

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 4 - Other financial assets
(Unsecured and considered good, unless otherwise stated)

(Rs. in Lakhs)

Particulars	March 2022	March 2021
Security Deposits	**54.36**	54.24
Total	**54.36**	54.24

Note: 5: Income Tax
Note: 5(a): Income Tax
Tax expense recognised in the Statement of Profit and Loss

(Rs. in lakhs)

Particulars	March 2022	March 2021
Current tax		
Current year	**32.42**	-
MAT credit entitlement	**(32.42)**	-
Total	**-**	-

Deferred tax		
Origination and reversal of temporary difference	**127.25**	(2,019.50)
Total deferred income tax expense/(credit)	**127.25**	(2,019.50)
Income tax expense/(credit) for current year	**127.25**	(2,019.50)
Income tax expense for earlier years	-	-
Total income tax expense/(credit)	**127.25**	(2,019.50)

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

(Rs. in lakhs)

Particulars	March 2022	March 2021
Reconciliation of effective tax rate		
Profit before tax	**271.18**	(5,838.57)
Enacted income tax rate in India (%)	**34.94**	34.94
Income Tax expense as per enacted rate	**94.76**	(2,040.23)
Tax pertaining to Previous years	**(17.18)**	-
Tax effect of adjustment to reconcile income tax expenses as per enacted rate with reported income tax expenses		
Differences due to:		
Expenses not deductible for tax purposes	**17.25**	30.30
Others Specified as below:		
Other items	**-**	(9.57)
Income tax expense/(credit) for current year	**94.83**	(2,019.50)
Effective tax rate (%)	**34.97%**	34.59%

Consequent to reconciliation items shown above, the effective tax rate is 34.94% (2020-21: 34.94%)

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 5(b): Income Tax

The movement in deferred tax assets and liabilities for the year ended 31st March 2022:

(Rs. in lakhs)

Particulars	March 2021	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	**March 2022**
Deferred tax assets/(liabilities)				
Provision for post retirement benefits and other employee benefits	173.40	62.67	-	**236.07**
Provision for doubtful debts and advances	404.04	1.85	-	**405.89**
Expenses allowable for tax purposes when paid	113.20	-	-	**113.20**
Depreciation	(3,832.74)	79.28	-	**(3,753.46)**
Other temporary differences(Unabsorbed Losses)	2,406.39	(275.94)	-	**2,130.45**
Transaction cost for Borrowings	(4.49)	2.38	-	**(2.11)**
Interest cost on lease liability	20.66	10.13	-	**30.79**
Lease rent paid/payable	(24.41)	(12.50)	-	**(36.91)**
Depreciation on right to use asset	9.38	4.88	-	**14.26**
MAT credit receivable	1,506.94	32.42	-	**1,539.36**
Remeasurements of net defined benefit plans	18.62	-	31.77	**50.39**
Total Deferred Tax Asset / (Liabilities)	790.99	(94.83)	31.77	**727.93**

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 6 - Other non-current assets

(Rs. in Lakhs)

Particulars	March 2022	March 2021
Capital advances (Refer note 34(a))	-	37.92
Balance with government authorities	3,415.55	3,229.47
Total	**3,415.55**	3,267.39

Note: 7 - Inventories

(Rs. in lakhs)

Particulars	March 2022	March 2021
Raw Materials	5,538.81	2,342.04
Raw Materials - In Transit	-	485.29
Work-in-progress	4,059.88	2,884.26
Finished goods	2,061.17	2,567.57
Stores and Spares	944.64	748.33
Stores and Spares - In Transit	18.96	37.20
Total	**12,623.46**	9,064.69

Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Write-downs of inventories amounted to Rs. 832.34 lakhs as at 31st March, 2022 (as at 31st March, 2021 - Rs. 622.98 lakhs). These write-downs were recognised as an expense and included in 'changes in inventories of finished goods, stock-in-trade, work-in-progress and property under development' in the Statement of Profit and Loss.

Note: 8 - Trade receivables

(Rs. in lakhs)

Particulars	March 2022	March 2021
Unsecured, considered good		
Related parties (Refer Note- 38)	5,145.36	3,633.33
Other parties	5,365.65	4,695.00
Less: Allowance for bad and doubtful debts*	(33.97)	(33.97)
Considered doubtful		
Related parties (Refer Note- 38)	1,122.24	1,122.24
Less: Allowance for bad and doubtful debts*	(1,122.24)	(1,122.24)
Total	**10,477.04**	8,294.36

Trade Receivable ageing as at 31st March 2022

Particulars	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed							
Related Parties	-	-	-	-	-	1,122.24	1,122.24
Others	-	-	-	-	-	33.97	33.97
Less:- Provision	-	-	-	-	-	(1,156.21)	(1,156.21)
Net Disputed(a)	-	-	-	-	-	-	-
Secured disputed	-	-	-	-	-	-	-
Unsecured Disputed	-	-	-	-	-	-	-
Undisputed							
Related Parties	4,619.12	511.33	14.34	0.57	-	-	5,145.36
Others	3,201.20	2,076.53	-	52.68	1.26	-	5,331.68
Less:- Provision	-	-	-	-	-	-	-
Net undisputed(b)	7,820.32	2,587.86	14.34	53.25	1.26	-	10,477.04
Total (a+b)	7,820.32	2,587.86	14.34	53.25	1.26	-	10,477.04
Secured undisputed							
Unsecured Undisputed	7,820.32	2,587.86	14.34	53.25	1.26	-	10,477.04
Total Secured	-	-	-	-	-	-	-
Total Unsecured	7,820.32	2,587.86	14.34	53.25	1.26	-	10,477.04

Raymond Luxury Cottons Limited
Notes to the Financial Statements
Trade Receivable ageing as at 31st March 2021

Particulars	Not due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed							
Related Parties	-	-	-	-	-	1,122.24	1,122.24
Others	-	4.82	11.07	32.74	-	33.97	82.61
Less:- Provision	-	-	-	-	-	(1,156.22)	(1,156.22)
Net Disputed(a)	-	4.82	11.07	32.74	-	-	48.64
Secured disputed	-	-	-	-	-	-	-
Unsecured Disputed	-	4.82	11.07	32.74	-	-	48.64
Undisputed							
Related Parties	3,024.76	554.49	6.70	47.37	0.01	-	3,633.33
Others	2,709.45	1,772.60	48.69	79.71	1.95	-	4,612.39
Less:- Provision	-	-	-	-	-	-	-
Net undisputed(b)	5,734.21	2,327.09	55.38	127.08	1.96	-	8,245.72
Total (a+b)	5,734.21	2,331.92	66.46	159.82	1.96	-	8,294.36
Secured undisputed							
Unsecured Undisputed	5,734.21	2,327.09	55.38	127.08	1.96	-	8,245.72
Total Secured	-	-	-	-	-	-	-
Total Unsecured	5,734.21	2,331.92	66.46	159.82	1.96	-	8,294.36

The Company has initiated the process of obtaining Balance confirmations and is yet to receive balance confirmations in respect of certain trade receivable. The Management is of the opinion the balances outstanding are correct and does not expect any material differences in the balances that would be affecting the current year's financial statement on receipt of the balance confirmations post the balance sheet date.

The movement in Allowance for bad and doubtful debts is as follows:

(Rs. in lakhs)

Particulars	**March 2022**	March 2021
Balance as at beginning of the year	**1,156.21**	1,122.24
Provision during the year	**-**	33.97
Balance as at the end of the year	**1,156.21**	1,156.21

Note: 9 - Cash and cash equivalents

(Rs. in lakhs)

Particulars	**March 2022**	March 2021
Balances with Banks in current accounts	**2,000.24**	17.09
Cash on hand	**0.03**	0.03
Total	**2,000.27**	17.12

Note: 10 - Bank Balances other than Cash and cash equivalents

(Rs. in lakhs)

Particulars	**March 2022**	March 2021
Balances head as Margin money deposits	**1,034.29**	991.84
Total	**1,034.29**	991.84

Note: 11 - Loans

(Rs. in lakhs)

Particulars	**March 2022**	March 2021
Loans to employees	**0.61**	0.09
Total	**0.61**	0.09

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 12 - Other Financial Assets

(Rs. in lakhs)

Particulars	March 2022	March 2021
Considered good		
Other assets		
- Related Party	**0.22**	98.87
- Other	**2.92**	8.21
Export benefits receivables	**14.50**	4.37
Interest Receivable - Other	**19.78**	34.77
Interest Subsidy Receivable*	**914.13**	914.13
Total	**951.55**	1,060.35

*The company is following with Ministry of Textile for receipt of funds related to Intrest Subsidy Receiable of Rs. 914.13 Lacs for which sanction is received from Commissioner of Textile.

Note: 13 - Other Current Assets

(Rs. in lakhs)

Particulars	March 2022	March 2021
Advances to Suppliers	**215.50**	318.69
Balance with government authorities	**71.52**	39.21
Prepaid expenses	**127.71**	127.00
Other advances	**0.62**	0.52
Export benefits receivables	**50.45**	66.15
Total	**465.80**	551.57

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 14 - Share capital

(Rs. in lakhs)

Particulars	March 2022	March 2021
Authorised		
210,000,000 (31st March, 2020: 210,000,000) Equity Shares of Rs. 10 each	**21,000.00**	21,000.00
Issued		
207,000,000 (31st March, 2020: 207,000,000) Equity shares of Rs. 10 each	**20,700.00**	20,700.00
Subscribed and fully paid up		
168,680,000 (31st March, 2020: 168,680,000) Equity Shares of Rs. 10 each	**16,868.00**	16,868.00
	16,868.00	16,868.00

a) Reconciliation of number of shares

Particulars	March 2022		March 2021	
	Number of shares	Amount (Rs. in lakhs)	Number of shares	Amount (Rs. in lakhs)
Equity Shares :				
Balance as at the beginning of the year	**168,680,000**	**16,868.00**	168,680,000	16,868.00
Add: Shares issued during the year*	**-**	**-**	-	-
Balance as at the end of the year	**168,680,000**	**16,868.00**	168,680,000	16,868.00
*To the extent subscribed for.				

(b) The Company has only one class of equity share having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

(c) Details of Shares held by Holding Company

Name of Shareholder	March 2022	March 2021
127,680,000 Equity shares of Rs. 10 each [March 31, 2021: 127,680,000 shares] held by Raymond Limited.	**12,768.00**	12,768.00

(d) Details of Shares held by Promoters

Name of Shareholder	March 2022	March 2021
127,680,000 Equity shares of Rs. 10 each [March 31, 2021:	**12,768.00**	12,768.00

(e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of Shareholder	March 2022		March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Raymond Limited*	**127,680,000**	**75.69%**	127,680,000	75.69%
Cottonificio Honegger S.P.A	**41,000,000**	**24.31%**	41,000,000	24.31%
* including equity shares jointly held with nominee shareholders				

Raymond Luxury Cottons Limited
Notes to the Financial Statements

15. Other equity

(Rs. in Lakhs)

Particulars	Reserves and Surplus
Retained Earnings	
Balance as at 31st March 2020	12,521.03
Profit for the year	(3,819.07)
Other Comprehensive Income for the year	37.80
Total Comprehensive Income for the year	(3,781.27)
Balance as at 31st March 2021	8,739.76
Profit for the year	**143.93**
Other Comprehensive Income for the year	**(59.15)**
Total Comprehensive Income for the year	**84.78**
Balance as at 31st March 2022	**8,824.54**

Note: 16 - Non-current liabilities Borrowings

(Rs. in lakhs)

Particulars	March 2022	March 2021
Secured		
Term loans from banks (Refer note 36)	**7,616.25**	7,505.95
Total	**7,616.25**	7,505.95

Nature of Security and terms of repayment for Long Term secured borrowings:

Nature of Security and balance outstanding	Terms of Repayment**
i) Term loan under TUFS of Rs. Nil (31st March 2021: Rs.652.26 Lakhs) is secured by all immovable property of the borrower located at Plot No. T-1 & T-1 Part, admeasuring 221525 Sq. Meters or thereabout, in the Kagal - Hatkanangale Five Star Industrial Area, Kasba: Sangaon	Repayable in 20 quarterly installments of Rs. 165 Lakhs each commencing from 16th October, 2016 and last installment due on 16th December, 2021. Floating rate of interest as at year end 9.05% per annum* (31st March 2021: 9.40% p.a)*.
ii) Term loan under TUFS of Rs. 260 Lakhs (31st March 2021: Rs. 780 Lakhs) is secured by all immovable property of the borrower located at Plot No. T-1 & T-1 Part, admeasuring 221525 Sq. Meters or thereabout, in the Kagal - Hatkanangale Five Star Industrial Area, Kasba: Sangaon	Repayable in 20 quarterly installments of Rs. 130 Lakhs each commencing from 20th May, 2017 and last installment due on 20th May, 2022. Floating rate of interest as at year end 9.05% per annum* (31st March 2021: 9.40% p.a.)*.
iii) Term loan under TUFS of Rs. 201.66 Lakhs (31st March 2021: Rs. 1,028.94 Lakhs) is secured by all immovable property of the borrower located at Plot No. T-1 & T-1 Part, admeasuring 221525 Sq. Meters or thereabout, in the Kagal - Hatkanangale Five Star Industrial Area, Kasba: Sangaon	Repayable in 20 quarterly installments of Rs. 206.6 Lakhs each commencing from 31 July, 2017 and last installment due on 30th April, 2022. Floating rate of interest as at year end 11.04% per annum* (31st March 2021: 11.05% p.a.)*.
iv) Term loan under TUFS of Rs. 467.25 Lakhs (31st March 2021: Rs. 700.88 Lakhs) is secured by all immovable property of the borrower located at Plot No. T-1 & T-1 Part, admeasuring 221525 Sq. Meters or thereabout, in the Kagal - Hatkanangale Five Star Industrial Area, Kasba: Sangaon	Repayable in 20 quarterly installments of Rs. 54.24 Lakhs each commencing from 23rd November, 2018 and last installment due on 22nd November, 2023. Floating rate of interest as at year end 8.55% per annum* (31sr March 2021: 9.40%)*.
v) Term loan under TUFS of Rs. 6,667.72 Lakhs (31st March 2021: Rs. 8,958.30 Lakhs) is secured by First Pari Passu charge by way of mortgage in favour of HDFC bank over all that pieces and parcels of land bearing Plot No. T-18/1 admeasuring 1,23,750 Sq mts carved out of Plot No. 18 admeasuring 9,38,942 Sq mts in the additional Amravati (Nandgaon Peth) Industrial Area, together with all , present and future , buildings and structures erected thereon including all plant and machinery and/or equipment , furniture and fittings etc fastened thereto. (moveable and immoveable)	Repayable in 24 quarterly installments of Rs.528.70 Lakhs each commencing from 31st December, 2018 and last installment due on 30th July, 2024. Floating rate of interest as at year end 8.70% per annum*.(31st March 2021: 8.75%)*.
vi) Guranteed Emergency Credit Line 2.0 - Fund based Working Capital term Loan of Rs. 300 Lakhs (31st March 2021: Rs. Nil) is secured by way of extension of charges (2nd Charge) over existing Primary Security.	Repayable in 48 equal monthly installments of Rs. 6.25 Lacs and commencing from 30.04.2022. Rate of interest as at year end 7.50% per annum*.(31st March 2021: NA).
vii) Guranteed Emergency Credit Line 2.0 - Fund based Working Capital term Loan of Rs. 622 Lakhs (31st March 2021: Rs. Nil) is secured by way of second ranking pari passu charge on the following, to be created in favor of Bank. Borrower's Property/Lease hold rights of the property and security interest over buildings/structures thereon immovable fixed assets, both present and future, situated at Kolhapur, Maharashtra plot number T-1, Five star Industrial Area, at and post Kasaba Sangaon, Tal Kagal Dist Kolhapur 416216.	Repayable in 48 equal monthly installments commencing from last day of the month after expiry of the Moratorium Period of 12 months. Rate of interest as at year end 8.30% per annum*.(31st March 2021: NA).
viii) Guranteed Emergency Credit Line 2.0 - Fund based Working Capital term Loan of Rs. 160 Lakhs (31st March 2021: Rs. Nil) is secured by way of extension of charge of existing primary and collateral security in favor of Bank.	Repayable in 47 equal monthly installments of Rs. 3.34 Lacs and Last installment Rs. 3.02 Lacs after moratorium of 12 months. Rate of interest as at year end 7.50% per annum*.(31st March 2021: NA).

ix) Guranteed Emergency Credit Line 2.0 - Fund based Working Capital term Loan of Rs. 2,887 Lakhs (31st March 2021: Rs. Nil) is secured by way of extension of second ranking charge over primary and collateral securities including mortgage created in favour of bank and security created over the hypothicated asssets of borrower out of this facility.	Repayable in 48 monthly installments after moratorium of 12 months. Rate of interest as at year end 7.50% per annum*.(31st March 2021: NA).

The amounts mentioned include installments falling due within a year aggregating to Rs. 3,943.38 Lakhs (31st March 2021: Rs. 4,601.63 Lakhs) have been grouped under "Current maturities of long-term debt" under Short Tem Borrowings.

Amount of Rs. 6.01 Lakhs (31st March, 2021: Rs. 12.81 Lakhs) related to deferred expense towards processing charges is netted of against loan.

* Rate of Interest is without considering interest subsidy as per Central and State Government TUF Schemes. Subsidy is not been taken into

As on March 31, 2022 there is no unutilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.

Note: 17 - Other financial liabilities

(Rs. in lakhs)

Particulars	March 2022	March 2021
Lease liability		
-Non Current Portion	**303.53**	311.12
-Current Portion	**8.96**	8.04
Total	**312.49**	319.16

Note: 18 - Other non - current liabilities

(Rs. in lakhs)

Particulars	March 2022	March 2021
Government Grants relating to assets (Refer Note 25 and 34 (b))	**1,797.80**	2,138.32
Total	**1,797.80**	2,138.32

1) Under the Government Scheme, the Company is entitled to subsidy, on its investment in the property plant and equipment, on fulfilment of the conditions stated in those Scheme. The government grant is accounted as stated in the accounting policy on Goverment Grant (Refer note 1). The Goverment Grant shown above represents unamortised amount of subsidy with the corresponding adustment to the carrying amount of property, plant and equipment.

2)Export Promotion Capital Goods (EPCG) scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant (Refer Note 1r). The Government Grant shown above represents unamortised amount of the duty saved referred to above. Export obligation to be fulfilled subsequent to the reporting date, within the period allowed under the Scheme is disclosed Note 34 (b).

Note: 19 - Current Borrowings

(Rs. in lakhs)

Particulars	March 2022	March 2021
Secured		
Working capital loans from Banks repayable on demand [Refer Note 36]*	**4,403.61**	6,433.33
Current maturities of long-term debt	**3,943.38**	4,601.63
Unsecured		
Acceptances	**1,383.07**	1,463.31
Loans & Advances from related Parties (Refer Note 38)	**3,500.00**	2,000.00
Total	**13,230.06**	14,498.27

* Exclusive charge by way of hypothecation on all movable plant & machinery, entire current assets, receivables and insurance proceeds both present & future located at the Borrowers manufacturing units.

For the borrowings secured against current assets ,the company has filed Quarterly statements of current assets with the banks and the same are in agreement with the books of accounts.

Note: 20 - Trade payables

(Rs. in lakhs)

Particulars	March 2022	March 2021
Total outstanding dues of micro and small enterprises	**769.27**	637.94
	769.27	637.94
Amounts payable to related parties [Refer Note 38]	**217.83**	125.08
Others (including provision for expenses)	**14,330.48**	9,208.36
	14,548.31	9,333.44
Total	**15,317.58**	9,971.38

The Company has initiated the process of obtaining Balance confirmations and is yet to receive balance confirmations in respect of certain trade payables. The Management is of the opinion the balances outstanding are correct and does not expect any material differences in the balances that would be affecting the current year's financial statement on receipt of the balance confirmations post the balance sheet date.

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Trade Payable ageing as at 31st March 2022

Particulars	Not due	Less than 1 year	1- 2 year	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
Related Parties	-	178.51	39.32	-	-	217.83
MSME	380.39	348.29	19.15	0.07	21.37	769.27
Others	10,452.47	3,780.50	56.16	2.14	39.21	14,330.48
Net undisputed(b)	10,832.86	4,307.30	114.63	2.21	60.58	15,317.58
Total (a+b)	10,832.86	4,307.30	114.63	2.21	60.58	15,317.58

Trade Payable ageing as at 31st March 2021

Particulars	Not due	Less than 1 year	1- 2 year	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
Related Parties	37.95	84.74	2.39	-	-	125.08
MSME	475.51	148.76	1.03	8.59	4.04	637.94
Others	5,034.57	3,903.32	181.22	68.97	20.29	9,208.37
Net undisputed(b)	5,548.03	4,136.82	184.64	77.56	24.33	9,971.38
Total (a+b)	5,548.03	4,136.82	184.64	77.56	24.33	9,971.38

Note: 21 - Other financial liabilities

(Rs. in lakhs)

Particulars	March 2022	March 2021
Interest accrued but not due on borrowings	80.49	91.22
Retention money and Security Deposits	69.53	69.40
Salary and Wages payable	1,079.31	1,173.40
Capital Creditors		
-Related Party	7.21	2.51
-Other	19.43	11.32
Other payables	20.87	22.22
Total	1,276.84	1,370.06

Note: 22 -Provisions

(Rs. in lakhs)

Particulars	March 2022	March 2021
Non Current Portion		
Gratuity [Refer Note 37]	81.85	0.87
Leave Encashment	-	-
	81.85	0.87
Current Portion		
Gratuity [Refer Note 37]	199.96	156.48
Leave Encashment	335.72	280.83
	535.69	437.31
Total	617.54	438.18

Note: 23 - Other current liabilities

(Rs. in lakhs)

Particulars	March 2022	March 2021
Advances from customer	75.71	145.97
Statutory Dues	135.38	90.83
Government Grants relating to assets (Refer Note 25 and 34 (b))	341.00	347.24
Other payables	34.56	-
Total	586.64	584.04

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 24 - Revenue from Operations *(Rs. in lakhs)*

Particulars	Year ended	
	March 2022	March 2021
Sale of manufactured goods - fabrics	**56,757.63**	25,615.03
Income from services - Job work	**0.86**	8.93
Other operating revenue		
- Export incentives	**106.25**	45.26
- Sale of process waste	**311.66**	113.12
Total	**57,176.40**	25,782.34

Note: 25 - Other Income *(Rs. in lakhs)*

Particulars	Year ended	
	March 2022	March 2021
Interest income	**70.76**	92.81
Excess Provision Written Back	**62.96**	-
Credit Balances written back	**12.09**	-
Net gain on disposal of property, plant and equipments	**-**	3.73
Deferred Income on Government Grant (Refer Note 18 and 23)*	**346.76**	347.13
Other non-operating income	**93.90**	42.90
Total	**586.47**	486.57

* Government grants are related to investments made by the company in property, plant and equipment for plant setup at Kolhapur and Amravati, Maharashtra. The company did not benefit directly from any other forms of government assistance. There are no unfulfilment condition attached to the government grant.

Note: 26 - Cost of Raw Materials Consumed *(Rs. in lakhs)*

Particulars	Year ended	
	March 2022	March 2021
Opening Stock	**2,342.04**	3,157.80
Add: Purchases	**31,374.76**	10,846.21
Less : Closing Stock	**5,538.81**	2,342.04
Total	**28,177.99**	11,661.97

Note: 27 - Changes in Inventories of Finished goods and Work-in-progress *(Rs. in lakhs)*

Particulars	Year ended	
	March 2022	March 2021
Opening inventories		
Finished goods	**2,567.57**	2,813.16
Work-in-progress	**2,884.26**	3,425.49
	5,451.83	
Closing inventories		
Finished goods	**2,061.17**	2,567.57
Work-in-progress	**4,059.88**	2,884.26
Total	**(669.22)**	786.82

Note: 28 - Employee Benefits Expense *(Rs. in lakhs)*

Particulars	Year ended	
	March 2022	March 2021
Salaries, wages, etc.(including managerial remunaration)	**6,721.35**	4,656.06
Contribution to provident funds and other funds	**319.69**	254.19
Gratuity (Refer Note 37)	**93.97**	106.35
Staff welfare expenses	**386.80**	259.09
Total	**7,521.81**	5,275.69

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 29 - Finance Costs

(Rs. in lakhs)

Particulars	Year ended	
	March 2022	March 2021
Interest on Term Loans	**1,101.81**	1,252.18
Interest on bank overdraft/ short term borrowings	**748.75**	1,076.37
Interest on lease liability	**28.98**	29.47
Other borrowing costs (amortisation of Processing fees)	**6.81**	10.26
Total	**1,886.35**	2,368.28

Note: 30 - Depreciation and Amortization Expense

(Rs. in lakhs)

Particulars	Year ended	
	March 2022	March 2021
Depreciation on Property, Plant and Equipment	**3,895.84**	3,954.91
Depreciation on Right to use assets	**13.96**	13.96
Amortisation on Intangible assets	**1.90**	4.19
Total	**3,911.70**	3,973.06

Note: 31 - Other expense

31A) Manufacturing and Operating Costs

(Rs. in lakhs)

Particulars	Year ended	
	March 2022	March 2021
Consumption of stores and spare parts	**5,440.18**	2,298.92
Power, water and fuel	**3,969.11**	1,827.18
Job work charges	**3,413.65**	1,010.99
Repairs to buildings	**198.46**	23.45
Repairs to machinery	**722.76**	472.15
Other Manufacturing and Operating expenses	**371.33**	225.21
Total	**14,115.49**	5,857.90

31B) Other Expenses

(Rs. in lakhs)

Particulars	Year ended	
	March 2022	March 2021
Rent	**22.86**	20.94
Insurance	**137.47**	157.67
Repairs & Maintenance Others	**70.42**	5.32
Rates and Taxes	**94.99**	57.71
Commission to selling agents	**160.86**	117.91
Freight, Octroi, etc	**224.44**	117.44
Legal and Professional Expenses	**365.35**	345.80
Director Fees	**9.50**	8.50
Expenditure towards Corporate Social Responsibilities	**-**	47.00
Donations	**-**	2.50
Corporate Facility Charges	**636.00**	439.18
Provision for doubtful debts	**-**	(3.55)
Travelling and Conveyance	**145.82**	78.36
IT outsourced Support Services	**77.38**	77.12
Bank Charges	**170.08**	182.44
Loss on sale of Assets	**2.20**	-
Miscellaneous Expenses	**430.20**	529.42
Total	**2,547.57**	2,183.76

a. Details of payments to auditors (included in Legal and professional expenses)

(Rs. in lakhs)

Particulars	Year ended	
	March 2022	March 2021
Statutory audit fees	**30.00**	23.40
Fees for audit related services	**3.00**	3.00
Total	**33.00**	26.40

Note: 32- Disclosure as required under Section 22 of Micro and Small Enterprises Development Act, 2006 (MSME) are as under –

(Rs. in Lakhs)

	Particulars	March 2022	March 2021
a)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year;	**813.33**	675.14
b)	The amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each year	**-**	192.84
c)	The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	**44.06**	37.20
d)	The amount of interest accrued and remaining unpaid at the end of accounting year	**126.26**	82.20
e)	Further interest remaining due and payable for earlier years	**82.20**	44.99

The above information has been determined for the parties identified on the basis of the information available with the Company regarding the status of the parties under the MSME.

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 33 - Contingent liabilities and contingent assets

a) Contingent liabilities (to the extent not provided for)

(Rs. in Lakhs)

Particulars	March 2022	March 2021
Claims against the Company not acknowledged as debts*		
- Disallowance in relation to provision for doubtful debts and deduction claimed u/s 80G under Income Tax Act	**6.55**	-

*Future cash flows in respect of above are determinable only on receipt of judgement/decision pending with the authority/forum and/or final outcome of the matter.

Foreseeable Losses:
The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ applicable accounting standards for material foreseeable losses on

Pending litigations:
The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

b) Contingent assets
There is no contingent asset identified during the year

Note: 34 - Capital and other Commitments

(Rs. in Lakhs)

Particulars	March 2022	March 2021
(a) Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:		
Property, plant and equipment	**30.02**	97.79
Less: Capital advances	**-**	(37.92)
Net Capital commitments	**30.02**	59.87
(b) Guarantees given by the Company's bankers and Bonds and Letter of Undertaking executed by the Company to Government Authorities for purchase under concessional duty/ exemption scheme in respect of (net of obligation completed) (Refer Note 16 and 21)	**18,605.00**	18,605.00
Net Guarantees	**18,635.02**	18,664.87

Note: 35 - Lease

a) Maturity Pattern of Lease Liability

(Rs. in Lakhs)

Particulars	March 2022	March 2021
Premises taken on operating lease:		
The Company has operating lease agreements for land and guest house. These lease arrangements range for a period between 3 and 30 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.		
Lease rentals recognized in the Statement of Profit and Loss for the year is Rs. 22.86 Lakhs (2020-21 Rs. 20.94 lakhs)		
With respect to non-cancellable operating lease, the future minimum lease payment as at Balance Sheet date is as under:		
For a period not later than one year	**36.08**	35.93
For a period later than one year and not later than five years	**156.29**	160.63
For a period later than five years	**111.16**	114.57

b) Set out below are the carrying amounts of lease liabilities and the movements during the year:

(Rs. in Lakhs)

Particulars	March 2022	March 2021
Opening Balance	**319.16**	324.58
Additions	**-**	-
Deletions	**-**	-
Accretion of interest	**28.98**	29.47
Payments	**(35.65)**	(34.88)
Closing Balance	**312.49**	319.16
Current	**8.96**	8.04
Non-current	**303.54**	311.12

c) The following are the amounts recognised in profit or loss

(Rs. in Lakhs)

Particulars	March 2022	March 2021
Depreciation expense of right-of-use assets	**13.96**	13.96
Interest expense on lease liabilities	**28.98**	29.47
Expense relating to short-term leases (included in other expenses)	**-**	-
Expense relating to leases of low-value assets (included in other expenses)	**-**	-
Total amount recognised in profit or loss	**42.94**	43.43

d) Amounts recognised in statement of cash flows

(Rs. in Lakhs)

Particulars	March 2022	March 2021
Total cash outflow for leases	**35.65**	34.88

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 36 - Assets pledged as Security

(Rs. in Lakhs)

Particulars	March 2022	March 2021
A) Non-current Asset (to the extent covered in Loans)		
Lease hold land	**233.08**	235.85
Buildings	**9,584.72**	9,885.74
Plant and equipment	**24,449.44**	27,671.87
Furniture & fixtures	**129.56**	115.20
Office equipments	**15.38**	13.23
Vehicles	**0.14**	0.14
Capital Work-in-progress	**23.78**	223.57
	34,436.10	38,145.59
B) Current Asset (to the extent covered in Loans)		
Inventories	**12,623.46**	9,064.69
Trade receivable	**10,477.04**	8,294.36
	23,100.50	17,359.05
Total Assets pledged as security	**57,536.60**	55,504.65
# Refer Note 2, 7, 8, 16 and 19.		

Note: 37 - Post retirement benefit plans

A. Defined contribution plan:

The Company has defined contribution plan. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual or constructive obligation. The expense recognised during the year towards defined contribution plan is Rs 319.69 Lakhs (31st March 2021: Rs. 254.19 Lakhs).

B. Defined benefit plan:

Employee Benefit Schemes recognised in the financial statements as at 31st March 2022 and 31st March 2021 are as follows:

(Rs. in Lakhs)

Particulars	Defined benefit plans	
	March 2022	March 2021
Present value of plan liabilities	**955.83**	777.37
Fair value of plan assets	**674.02**	620.02
Net Plan liability/ (asset)	**281.81**	157.35

C. Movements in plan assets and plan liabilities (Rs. in Lakhs)

Particulars	March 2022			March 2021		
	Plan Assets	**Plan liabilities**	**Total**	Plan Assets	Plan liabilities	Total
As at 1st April	**620.02**	**777.37**	**157.35**	462.27	741.55	279.28
Current service cost		**83.01**	**83.01**	-	87.30	87.30
Past service cost		**-**	**-**	-	-	-
Return on plan assets excluding amounts included in net finance income/cost	**(0.35)**	**-**	**0.35**	2.90	-	(2.90)
Interest cost		**54.11**	**54.11**	-	50.57	50.57
Interest income	**43.15**		**(43.15)**	31.53	-	(31.53)
Actuarial (gain)/loss arising from changes in financial assumptions	**-**	**(64.64)**	**(64.64)**	-	(16.56)	(16.56)
Actuarial (gain)/loss arising from experience adjustments	**-**	**155.21**	**155.21**	-	(38.56)	(38.56)
Employer contributions	**44.31**		**(44.31)**	123.32	-	(123.32)
Benefit payments	**(33.11)**	**(49.23)**	**(16.12)**	-	(46.93)	(46.93)
As at 31st March	**674.02**	**955.83**	**281.81**	620.02	777.37	157.35
		-	(0.00)			

The liabilities are split between different categories of plan participants as follows:
• active members - 1,556 (31st March 2021: 1,524)
The weighted average duration of the defined benefit plans is 18 years (31st March 2021 : 17 Years)
The Company expects to contribute Rs. 199.96 Lakhs (31st March 2021 : 156.48 Lakhs) to the funded plans in the next financial year.

D. Statement of Profit and Loss (Rs. in Lakhs)

Particulars	March 2022	March 2021
Employee Benefit Expenses:		
Current service cost	**83.01**	87.30
Total	**83.01**	87.30
Finance cost/(income)	**10.96**	19.04
Net impact on the Profit / (Loss) before tax	**93.97**	106.34
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	**0.35**	(2.90)
Actuarial (gains)/losses arising from changes in financial assumptions	**(64.64)**	(16.56)
Experience (gains)/losses arising on pension plan and other benefit plan liabilities	**155.21**	(38.56)
Net impact (income)/expenses on the Other Comprehensive Income before tax	**90.92**	(58.03)

E. Assets (Rs. in Lakhs)

Particulars	Defined benefit plans	
	March 2022	March 2021
Total (A)		
Unquoted		
Insurer Managed Fund	**674.02**	620.02
Total	**674.02**	620.02

F. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date

The significant actuarial assumptions were as follows:

Particulars	March 2022	March 2021
Actuarial Assumptions		
Discount rate	**7.38%**	6.96%
Salary Escalation Rate	**3.00%-7.50%**	0.00%-7.50%
Expected Rate of Return on Assets	**7.38%**	6.96%

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality (2006-08) Ultimate table mortality in retirement

G. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

(Rs. in Lakhs)

Particulars	Change in assumption	2021-22		2020-21	
		Increase in assumption	**Decrease in assumption**	Increase in assumption	Decrease in assumption
Discount rate	1%	**(132.45)**	**165.08**	(105.34)	129.78
Salary Escalation Rate	1%	**162.79**	**(133.34)**	128.28	(100.02)
Employee Turnover Rate	1%	**(3.27)**	**3.64**	(6.12)	7.20

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

The weighted average duration of the defined benefit obligation is 18 years (31st March 2021 - 17 year).The expected maturity analysis of undiscounted pension, gratuity and post-employment medical benefits is as follows:

H. The defined benefit obligations shall mature after year end 31st March 2022 as follows:

(Rs. in Lakhs)

Particulars	Defined benefit obligation	
	March 2022	March 2021
1st following year	**68.70**	19.44
2nd following year	**19.26**	27.71
3rd following year	**23.43**	41.14
4th following year	**45.90**	17.66
5th following year	**24.91**	30.46
Thereafter	**3,745.31**	2,593.16

I. Risk exposure:

Through its defined benefits plan, the company is exposed to a number of risks, the most significant of which are detailed below.

Changes in bond yields

A decrease in bond yield will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's bond holdings.

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Plan assets are invested with the Life Insurance Corporation of India Limited. It is subject to interest rate risk. The company intends to maintain the above investments in the continuing years.

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 38 - Related Party Disclosures as per Ind AS 24

(A) Relationship where control exists	
Holding Company	Raymond Limited, India
(B) Other Related Parties with whom the company had transactions	
Fellow Subsidiaries	Raymond Apparel Limited, India Colorplus Realty Limited, India (formarly known as Colour Plus Fashions Limited India) Silver Spark Apparel Limited, India Celebrations Apparel Limited, India Dress Master Apparel Private Limited, India Raymond (Europe) Limited, United Kingdom J.K.Investo Trade (India) Ltd., India JK Files (India) Ltd., India
(C) Parties having significant influence on the Company	
(i) Shareholder	Cottonficio Honegger S.p.A, Italy**
(ii) Party having significant influence on parties stated in A (a) above with whom company had transactions	J.K. Investors (Bombay) Limited, India
(D) Key management personnel	
	Harishkumar Chatterjee, Director Narayanan Ramalingam, Director (Expiration of term w.e.f. February 26, 2022) Vijay Patil, Director (appointed w.e.f Februray 8, 2021) Ramshi Mundada Brijgopal, Director Srinivasa Vajha, Chief Financial Officer (CFO) Tabish Siddiqui, Company Secretary (Upto August 14, 2020) Akshat Chechani, Company Secretory (appointed w.e.f. September 10, 2020 Upto October 21, 2021) Mohammad Waqar Siddiqui (appointed w.e.f. October 22, 2021)
(E) Other Related Parties where control of Joint Venture Partners exist and transactions have taken place	Raymond UCO Denim Private Limited, India

***No transactions during the year*

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Disclosure of transactions carried out with related parties in the ordinary course of business:-

(Rs. in Lakhs)

Particulars	March 2022	March 2021
(1) Parties mentioned in 36(A) above		
Sales – Goods :	**2,129.15**	1,677.96
Sale of Fixed Assets	**3.00**	-
Sale of License	**9.34**	-
Expenses :		
Purchases of raw material	**66.52**	37.51
Purchases of fixed assets	**4.12**	3.43
Rent and other service charges	**16.56**	16.56
Employment cost	**-**	75.11
ICD interest	**1.86**	50.79
Corporate Facility Charges	**636.00**	439.18
Other reimbursements		
Electricity	**2.79**	2.10
Legal and professional charges	**0.41**	-
Travel & Guesthouse	**2.04**	0.94
Security charges	**12.62**	12.03
Telephone Expenses	**0.08**	0.09
Other reimbursement expenses	**82.66**	63.72
Loan or Deposit received or paid		
Inter Corporate Deposit-Received	**3,500.00**	650.00
Inter Corporate Deposit-Paid	**-**	650.00
(2) Parties mentioned in 36(B) above		
Sales – Goods :		
Raymond Apparel Limited	**-**	1.31
Raymond (Europe) Limited	**228.64**	166.10
Silver Spark Apparel Limited, India	**1,358.78**	1,159.34
Expenses :		
ICD interest		
JK Files (India) Limited	**13.07**	85.32
Other reimbursements		
Raymond Apparel Limited	**-**	4.90
Silver Spark Apparel Limited, India	**40.99**	**-**
Loan or Deposit received or paid		
Inter Corporate Deposit-Received		
JK Files (India) Limited	**-**	2,000.00
J.K.Investo Trade (India) Ltd., India	**1,000.00**	-
Inter Corporate Deposit-Paid		-
JK Files (India) Limited	**2,000.00**	-
J.K.Investo Trade (India) Ltd., India	**1,000.00**	-

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Disclosure of transactions carried out with related parties in the ordinary course of business (contd)

(Rs. in Lakhs)

Particulars	March 2022	March 2021
(3) Party mentioned in 36(C) (ii) above		
Sales – Goods :	**21,757.62**	8,371.47
Expenses :		
Land lease	**31.04**	31.03
Interest on ICD	**27.60**	-
Loan or Deposit received or paid		
Inter Corporate Deposit-Received	**500.00**	-
Inter Corporate Deposit-Paid	**500.00**	-
(4) Parties mentioned in 36(E) above		
Other reimbursement Income:	**0.01**	-
Expenses :		
Purchases of raw material	**36.67**	-
(5) Individuals mentioned in 36(D) above		
Director Fees		
R.Narayanan	**4.75**	4.50
Rashmi Mundada	**4.75**	4.25

Disclosure of outstanding balances of related parties as at the year end: (contd.)

(Rs. in Lakhs)

Particulars	March 2022	March 2021
Parties mentioned in 36(A)above		
Receivable	**622.55**	850.09
Payable	**224.51**	89.50
Inter Corporate Deposit Payable	**3,500.00**	-
Parties mentioned in 36(B) above		
Receivable		
Celebrations Apparel Limited	**-**	30.31
Raymond Apparel Limited	**-**	47.78
Raymond Europe	**83.12**	2.11
Silver Spark Apparel Limited, India	**312.92**	589.99
Payable		
JK Files (India) Limited	**-**	37.86
Inter Corporate Deposit Payable		
JK Files (India) Limited	**-**	2,000.00
Parties mentioned in 36(C) above		
Receivable		
Cottonficio Honegger S.p.A (Note No. 41)	**1,122.24**	1,122.24
Allowance for bad and doubtful debts	**(1,122.24)**	(1,122.24)
	-	-
J.K. Investors (Bombay) Limited	**4,126.77**	2,211.92
Parties mentioned in 36(E) above		
Payable	**0.53**	0.23

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 39 - Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies.
Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury departments, which evaluates and exercises independent control through approved policies and procedures over the entire process of market risk management.

Market Risk- Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, corporate interest rate risk management is performed by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

(Rs in Lakhs)

Particulars	March 2022	March 2021
Borrowings bearing variable rate of interest	**11,999.21**	18,553.72

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

(Rs in Lakhs)

Particulars	March 2022	March 2021
50 bp increase- decrease in profits	**(60.00)**	(92.77)
50 bp decrease- Increase in profits	**60.00**	92.77

Market Risk- Foreign currency risk
The Company operates internationally and portion of the business is transacted in different currencies and consequently the company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods and services in the respective currencies.

Derivative instruments and unhedged foreign currency exposure:

(a) Derivative outstanding as at the reporting date: *(FC in lakhs)*

Particulars	March 2022		March 2021	
	Currency	Amount	Currency	Amount
Forward contracts to buy EUR	**32.04**	**2,706.59**	0.28	23.85

All the derivative instruments have been acquired for hedging purposes.

(b) Particulars of unhedged foreign currency exposures as at the reporting date:

(FC in lakhs)

As at 31st March 2022	USD	EURO	JPY	CHF	CNY
Trade Receivables	**5.46**	**4.09**	-	-	-
Trade Payables	**0.69**	**40.88**	-	**0.22**	-

As at 31st March 2021	USD	EURO	JPY	CHF	CNY
Trade Receivables	8.15	2.88	-	-	-
Trade Payables	0.60	17.39	-	0.09	-

Foreign Currency Risk Sensitivity
A change of 1% in Foreign currency would have following Impact on profit before tax

(Rs in Lakhs)

Particulars	2021-2022		2020-2021	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	**3.60**	**(3.60)**	5.52	(5.52)
EURO	**2.51**	**(2.51)**	(12.45)	12.45
Others	**(0.01)**	**0.01**	(0.07)	0.07
Increase / (decrease) in profit or loss	**6.10**	**(6.10)**	(6.99)	6.99

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the operating results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements .

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments or on case to case basis. Where loans or receivables have been written off, the company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

(Rs in Lakhs)

Ageing of Account receivables	March 2022	March 2021
Not due	**7,820.32**	5,734.21
0-3 months	**2,280.65**	1,546.21
3-6 months	**307.21**	785.71
6 months to 12 months	**14.34**	66.46
beyond 12 months	**54.51**	161.78
Total	**10,477.04**	8,294.36

Movement in provisions of doubtful debts	March 2022	March 2021
Opening provision	**1,156.21**	1,122.24
Add:- Additional provision made	**-**	33.97
Less:- Provision write off/ reversed	**-**	-
Less:- Provision utilised against bad debts	**-**	-
Closing provisions (Refer note 8)	**1,156.21**	1,156.21

Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time, or at a reasonable price. Processes and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity patterns of borrowings

(Rs in Lakhs)

Particulars	**As at 31st March 2022**			
	0-1 years	**1-5 years**	**beyond 5 years**	**Total**
Long term borrowings (Including current maturity of long term debt)	**3,943.38**	**7,616.25**	**-**	**11,559.63**
Short term borrowings	**9,286.68**	**-**	**-**	**9,286.68**
Expected Interest payable	**819.28**	**780.36**	**-**	**1,599.65**
Total	**14,049.34**	**8,396.62**	**-**	**22,445.96**

Particulars	As at 31st March 2021			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	4,601.63	7,505.95	-	12,107.58
Short term borrowings	9,896.64	-	-	9,896.64
Expected Interest payable	968.22	1,035.49	-	2,003.71
Total	15,466.49	8,541.44	-	24,007.93

Maturity patterns of other Financial Liabilities and Trade payables

As at 31st March 2022 *(Rs in Lakhs)*

Particulars	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	**4,484.72**	**10,607.67**	**225.19**	**-**	**-**	**15,317.58**
Payable related to Capital Creditors	**26.64**	**-**	**-**	**-**	**-**	**26.64**
Other Financial liabilities (Current and Non Current)	**90.41**	**710.23**	**449.56**	**-**	**312.49**	**1,562.69**
Total	**4,601.75**	**11,317.90**	**674.74**	**-**	**312.49**	**16,906.91**

As at 31st March 2021 (Rs in Lakhs)

Particulars	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	5,056.54	4,253.82	245.40	415.61	-	9,971.37
Payable related to Capital Creditors	13.83	-	-	-	-	13.83
Other Financial liabilities (Current and Non Current)	89.06	896.60	4.05	374.56	311.12	1,675.39
Total	5,159.43	5,150.42	249.45	790.17	311.12	11,660.59

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 40 - Capital risk management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Note: 41 - Specific Note

In the year 2012-13, Cottonificio Honegger S.p.A ('CH'), Italy, the erstwhile JV partner with Raymond Limited, had submitted request for voluntary winding up including composition of its creditors in the Court of Bergamo, Italy. Consequent to this, the Company as at 31st March 2013, had provided for its entire accounts receivable from CH of USD 1,255,058 and Euro 612,831, equivalent Indian Rupee aggregating Rs. 1,122.24 Lakhs. In the year 2013 - 14, the Company had put up its claim of receivable from CH of Rs. 1,122. 24 Lakhs before the Judicial Commissioner of the Composition (the Commissioner) appointed by the Court of Bergamo, Italy. In protraction of matter with Cottonificio Honegger S.p.A ('CH'), Italy, the Judicial Commissioner of the Composition ("the Commissioner") appointed by the Court of Bergamo, Italy, has declared the Company ("RLCL") as unsecured creditor for the amount outstanding from 'CH'. Further 'CH' had also sought permission from the Court of Bergamo, Italy, for initiating proceeding against 'the Company' in India.

The Company had received a notice dated 23rd November 2015 notifying that CH has filed a Petition against the Company before the Hon'ble Company Law Board ("CLB"), Mumbai Bench under Section 397 and 398 of Companies Act, 1956. The Company responded to the petition filed by CH. The CLB in its order dated 26th November, 2015 has recorded the statement made by the counsel for RLCL that CH's shareholding in RLCL shall not be reduced further and the fixed assets of RLCL also shall not be alienated till further order. Subsequently, the proceedings were transferred to the National Company Law Tribunal ("NCLT"), Mumbai bench and currently, the matter is pending before the said forum. The Company had filed a Miscellaneous Application on January 29, 2019 seeking part vacation of the order dated November 26, 2015. The NCLT, Mumbai Bench had allowed the mentioning application filed by the Company and had directed that the main company petition along with the application for vacating the stay be listed for hearing. The NCLT had directed for the matter to be heard on [Akshat Chechani] December 09, 2021. However, owing to paucity of time, the NCLT did not take up the matter. Accordingly, the matter stands adjourned to February 24, 2022. The NCLT had directed for the matter to be heard on April 20, 2022. However, owing to paucity of time, the NCLT did not take up the matter. Accordingly, the matter stands adjourned to June 21 2022.

Note: 42 Segment information

The Company's business activity falls within a single primary business segment of manufacture of cotton and Linen fabric and one reportable geographical segment which is "within India". Accordingly, the Company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment". Further the Company meets the quantitative threshold as mentioned in Ind AS 108 and hence separate information has been disclosed below:

The Company having combined revenue of more than 10% with the related party amounts to Rs. 217,57.62 lakhs. Further there is no external customer having revenue of more than 10%. The details of customer wise revenue more than 10% are as follows:

(Rs. in Lakhs)

Customer Name	March 2022	March 2021
J.K. Investors (Bombay) Limited, India	**217,57.62**	8,371.47

Summary of Segment Revenue

(Rs. in Lakhs)

Particulars	India		Rest of the world		Total	
	Current year	Previous year	**Current year**	Previous year	**Current year**	Previous year
Segment Revenue	**53,415.08**	20,025.91	**3,343.41**	1,918.95	**56,758.49**	21,944.86

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 43 Fair Value measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are 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:
1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

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

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(Rs. in Lakhs)

Financial Assets and Liabilities as at 31st March 2022				Routed through P & L				Routed through OCI				Carrying at amortised cost	Total
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Amount	Amount
Financial Assets													
Investment													
- Mutual Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets													
Loans	-	0.61	0.61	-	-	-	-	-	-	-	-	0.61	0.61
Other Financial Assets	54.36	951.55	1,005.91	-	-	-	-	-	-	-	-	1,005.91	1,005.91
Trade receivable	-	10,477.04	10,477.04	-	-	-	-	-	-	-	-	10,477.04	10,477.04
Cash and Cash equivalents	-	2,000.27	2,000.27	-	-	-	-	-	-	-	-	2,000.27	2,000.27
Bank Balances other than Cash and cash equivalents	-	1,034.29	1,034.29	-	-	-	-	-	-	-	-	1,034.29	1,034.29
	54.36	14,463.76	14,518.12	-	-	-	-	-	-	-	-	14,518.12	14,518.12
Financial Liabilities													
Borrowings	7,616.25	13,230.06	20,846.31	-	-	-	-	-	-	-	-	20,846.31	20,846.31
Lease Liability	303.53	8.96	312.49	-	-	-	-	-	-	-	-	312.49	312.49
Other Financial Liabilities	-	1,276.84	1,276.84	-		-	-	-	-	-	-	1,276.84	1,276.84
Mark to Market on Derivative financial instruments*		47.60	47.60	-	47.60	-	47.60	-	-	-	-	-	47.60
Trade Payables	-	15,269.98	15,269.98	-	-	-	-	-	-	-	-	15,269.98	15,269.98
Total	7,919.79	29,833.43	37,753.22	-	47.60	-	47.60	-	-	-	-	37,705.62	37,753.22

Raymond Luxury Cottons Limited
Notes to the Financial Statements

(Rs. in Lakhs)

Financial Assets and Liabilities as at 31st March 2021				Routed through P & L				Routed through OCI				Carrying at amortised cost	Total
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Amount	Amount
<u>Financial Assets</u>													
Other Assets													
Loans	-	0.09	0.09	-	-	-	-	-	-	-	-	0.09	0.09
Other Financial Assets	54.24	1,060.35	1,114.59	-	-	-	-	-	-	-	-	1,114.59	1,114.59
Trade receivable	-	8,294.36	8,294.36	-	-	-	-	-	-	-	-	8,294.36	8,294.36
Cash and Cash equivalents	-	17.12	17.12	-	-	-	-	-	-	-	-	17.12	17.12
Bank Balances other than Cash and cash equivalents	-	991.84	991.84	-	-	-	-	-	-	-	-	991.84	991.84
	54.24	10,363.75	10,417.99	-	-	-	-	-	-	-	-	10,417.99	10,417.99
<u>Financial Liabilities</u>													
Borrowings	7,505.95	14,498.27	22,004.22	-	-	-	-	-	-	-	-	22,004.22	22,004.22
Lease Liability	311.12	8.04	319.16	-	-	-	-	-	-	-	-	319.16	319.16
Other Financial Liabilities	-	1,370.06	1,370.06	-		-	-	-	-	-	-	1,370.06	1,370.06
Mark to Market on Derivative financial instruments*	-	(4.12)	(4.12)	-	(4.12)	-	(4.12)	-	-	-	-	-	(4.12)
Trade Payables	-	9,975.50	9,975.50	-	-	-	-	-	-	-	-	9,975.50	9,975.50
Total	7,817.07	25,847.75	33,664.82	-	(4.12)	-	(4.12)	-	-	-	-	33,668.94	33,664.82

* Fair value has been considered based on confirmation from bank.

<u>Note: 43 Fair Value measurement</u>

<u>Fair Value of Financial Assets and Liabilities measured at amortised cost</u>

Particulars	**As at 31 March 2022**		As at 31 March 2021	
	Carrying Amount	**Fair value**	Carrying Amount	Fair value
<u>Financial Assets</u>				
Loans	**0.61**	**0.61**	0.09	0.09
Other Financial Assets	**1,005.91**	**1,005.91**	1,114.59	1,114.59
Trade receivable	**10,477.04**	**10,477.04**	8,294.36	8,294.36
Cash and Cash equivalents	**2,000.27**	**2,000.27**	17.12	17.12
Bank Balances other than Cash and cash equivalents	**1,034.29**	**1,034.29**	991.84	991.84
	14,518.12	**14,518.12**	10,417.99	10,417.99
<u>Financial Liabilities</u>				
Borrowings	**20,846.31**	**20,846.31**	22,004.22	22,004.22
Lease Liability	**312.49**	**312.49**	319.16	319.16
Other Financial Liabilities	**1,276.84**	**1,276.84**	1,370.06	1,370.06
Trade Payables	**15,269.98**	**15,269.98**	9,975.50	9,975.50
	37,705.62	**37,705.62**	33,668.94	33,668.94

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short term nature.

Note: 44 - Note on COVID 19 Impact

The Company has considered the possible effects thaI may result from COVID-19 In the preparation of these financial statements. The Company believes that pandemic Is unlikely to impact on the recoverability of the carrying value of its assets as at March 31, 2022. Based on the current year performance and estimates arrived at using internal and external sources of information, the Company does not expect any material impact on such carrying values. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business. The Company Is taking all necessary measures to secure the health and safety of its employees, workers and their families.

Note: 45 - Note on Ultimate Beneficiaries

1. The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

2. The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note: 46 - Financial Ratios

Particulars	**Numerator**	**Denominator**	**March 2022**	March 2021	**Variation %**	**Reasoning and Basis**
Current Ratio	Current Assets	Current Liabilities	**1.02**	0.90	**14%**	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	**0.81**	0.80	**2%**	
Debt- Service Coverage Ratio	Earnings available for debt service*	Debt Service**	**0.27**	0.02	**1194%**	The Debt service coverage ratio is improved from 0.02 in FY 20-21 to 0.27 in FY 21-22 on account of following reasons: 1. Increase in Earning before interest Tax depreciation and amortisation is increased from Rs. 502.77 Lacs in FY 20-21 to Rs. 6,057.14 Lacs in FY 21-22, as the business operations were impacted in FY 20-21 due to covid 2. Also there is decrease in Loan and Interest from Rs. 24,732.66 Lacs in FY 20-21 to Rs. 22,732.66 Lacs on account of repayment of loan.
Return on equity Ratio	Net Profits after taxes	Average Shareholder’s Equity	**0.01**	(0.14)	**104%**	The return on equity ratio is improved from (0.14) in FY 20-21 to 0.01 in FY 21-22 as net profit is increased from Loss of Rs. 3,819.08 Lacs in FY 20-21 to Profit of Rs. 136.07 Lacs in FY 21-22, as the business operations were impacted in FY 20-21 due to covid.
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	**2.54**	1.18	**115%**	Inventory turnover ratio is increased from 1.18 in FY 20-21 to 2.54 in FY 21-22 due to increase in sales in FY 21-22 as compared to FY 20-21 which was impacted due to covid 19.
Trade receivable Turnover Ratio	Revenue	Average Trade Receivable	**6.05**	3.52	**72%**	Trade Receivable turnover ratio is improved from 3.52 in FY 20-21 to 6.05 in FY 21-22 due to increase in collection from debtors in FY 21-22 as compared FY 20-21 which was impacted due to covid 19.
Trade Payable turnover Ratio	Purchases of services and other expenses	Average Trade Payables	**2.48**	1.82	**36%**	Trade Payable turnover ratio is increased from 1.82 in FY 20-21 to 2.48 in FY 21-22 due to increase in payments to vendors in FY 21-22 as compared FY 20-21 which was impacted due to covid 19.
Net Capital Turnover Ratio	Revenue	Working Capital	**67.74**	73.53	**8%**	
Net profit Ratio	Net Profit	Revenue	**0.00**	(0.15)	**102%**	The net profit ratio is improved from (0.15) in FY 20-21 to Rs. 0.00 in FY 21-22 as net profit is increased from Loss of Rs. 3,819.08 Lacs in FY 20-21 to Profit of Rs. 136.07 Lacs in FY 21-22, as the business operations were impacted in FY 20-21 due to covid.
Return on Capital employed Ratio (ROCE)	Earning before interest and taxes	Capital Employed***	**0.04**	(0.14)	**131%**	The return on capital employed ratio is improved from (0.14) in FY 20-21 to Rs. 0.04 in FY 21-22 as earning before intrest and tax is increased from Loss of Rs. 4,546.66 Lacs in FY 20-21 to Profit of Rs. 1,396.70 Lacs in FY 21-22, as the business operations were impacted in FY 20-21 due to covid.
Return on Investment	Profit After Tax	Aeverage Shareholder Equity****	**0.01**	(0.14)	**104%**	The return on investment ratio is improved from (0.14) in FY 20-21 to Rs. 0.01 in FY 21-22 as net profit is increased from Loss of Rs. 3,819.08 Lacs in FY 20-21 to Profit of Rs. 136.07 Lacs in FY 21-22, as the business operations were impacted in FY 20-21 due to covid.

* Earnings before Interest, Depreciation, Amortisation and Tax
** Interest and Principal amount of Long Term and Short Term Loan
*** Shareholder's Equity + Long Term Borrowings
**** Share Capital + Reetained Earnings excluding OCI Balance

Note: 47 - Previous Year Figures regrouped or rearranged

The figures for the previous period/year have been regrouped/rearranged wherever necessary to make them comparable with the current period's figures.

Note: 48 - Details Of Benami Property Held

The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

Note: 49 - Relationship With Struck Off Companies

The Company do not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

Note: 50 - Registration Of Charges Or Satisfaction With Registrar Of Companies

The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

Note: 51 - Details Of Crypto Currency Or Virtual Currency

The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note: 52 - Undisclosed Income

The Company has not 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: 53 - Borrowings Obtained On The Basis Of Security Of Current Assets

For the borrowings secured against current assets ,the company has filed Quarterly statements of current assets with the banks and the same are in agreement with the books of accounts.

Note: 54 - Utilisation Of Borrowed Funds And Share Premium

As on March 31, 2022 there is no unutilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.

Note: 55 - Revaluation Of Property, Plant And Equipment And Intangible Assets

The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

Note: 56 - Compliance With Number Of Layers Of Companies

The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Note: 57 - Earnings per Share

Particulars	March 2022	March 2021
Earnings per share		
Profit for the year (Rs in Lakhs)	**143.93**	(3,819.07)
Weighted average number of shares	**168,680,000**	168,680,000
Earnings per share (Rs. per equity share of Rs. 10 each)		
- Basic	**0.09**	(2.26)
- Diluted	**0.09**	(2.26)

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

For and on Behalf of Board of Directors

Harishkumar Chatterjee
Director
DIN: 03560685

Vijay Patil
Director
DIN: 07173161

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Mumbai, 13 May, 2022

Srinivasa Bharadwaja Vajha
Chief Financial Officer
Mumbai, 13 May, 2022

Mohammad Waqar Siddiqui
Company Secretory

RAYMOND LIFESTYLE LIMITED

ANNUAL REPORT 2021-22

BOARD OF DIRECTORS	:	SHRI K.A. NARAYAN SHRI H. K. CHATTERJEE SHRI GANESHKUMAR SUBRAMANIAN (Resigned w.e.f. 31.01.2022) SHRI JATIN KHANNA (Appointed w.e.f 31.01.2022)
STATUTORY AUDITORS	:	MESSRS CHATURVEDI & SHAH LLP CHARTERED ACCOUNTANTS (Appointed in casual vacancy)
REGISTERED OFFICE	:	JEKEGRAM, POKHRAN ROAD NO. 1, THANE – 400 606, MAHARASHTRA

RAYMOND LIFESTYLE LIMITED
CIN: U52322MH2019PLC332934

DIRECTORS' REPORT

To,
The Members
The Directors take pleasure in presenting the Third Annual Report together with Audited Financial Statements for the financial year ended on March 31, 2022.

1. FINANCIAL SUMMARY

The Company did not commence operations in FY 2021-22.

2. DIVIDEND

In order to conserve resources, no dividend has been recommended for the FY 2021-22.

3. RESERVES

Your Company has not transferred any amount to the General Reserves of the Company.

4. STATUTORY AUDITORS

M/s. Chaturvedi & Shah, Chartered Accountants, (FRN/Membership No: 101720W/W100355), were appointed as Statutory Auditors of the Company for the financial year 2021-22 at the Board meeting held on December 7, 2021 to fill the casual vacancy caused due the death of Mr. V. B. Dalal, Proprietor of previous Statutory Auditors, M/s. V.B. Dalal & Co., Chartered Accountants, (FRN/Membership No: 102055W / 10373).

The term of M/s. Chaturvedi & Shah, Chartered Accountants expires at the ensuing Annual General Meeting. The Board seeks their re-appointment for a term of 5 consecutive years in the upcoming Annual General Meeting.

Your Company has received a certificate stating that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and that the appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules issued there under.

There were no qualifications, reservations, adverse remarks or comment made by the Auditors in their report for the financial year 2021-22. The Auditors have referred to certain routine matters in their report and the respective notes to the accounts are self-explanatory.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has adequate internal control and risk-mitigation system, which is constantly strengthened with new / revised standard operating procedures.

6. SHARE CAPITAL

During the year, the authorized share capital of the Company was increased from Rs. 10,00,000/- to Rs. 25,00,000/-.

The Company had issued 1,00,000 shares to its holding company i.e. Raymond Limited. As on March 31, 2022, none of the Directors of the Company hold any shares of the Company.

7. HOLDING, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company incorporated Ten X Realty Limited as its wholly-owned subsidiary on December 24, 2021, with initial authorized and paid-up share capital of Rs. 10,00,000 and Rs.5,00,000/- respectively.

8. SCHEME OF ARRANGEMENT

During the year, the Board of Directors had approved a Scheme of Arrangement ('Scheme') for transfer of Realty business of its holding Company i.e. Raymond Limited into the Company. The Scheme is subject to regulatory approvals.

9. PUBLIC DEPOSITS

During the under review, the Company has not accepted any public deposits under Section 73 of the Companies Act, 2013.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees or Investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, forms part of the Notes to the Financial Statements.

11. DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Harishkumar Chatterjee, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

The Board of Directors had appointed Shri Jatin Khanna as Additional Director of the Company effective from January 31, 2022. In terms of Section 161 of the Companies Act, 2013, Shri Jatin Khanna shall hold office up to the date of ensuing Annual General Meeting. The Board of Directors have recommended the appointment of Shri Jatin Khanna at the ensuing Annual General Meeting.

During the year, Shri Ganeshkumar Subramanian resigned from the Board of Directors with effect from January 31, 2022.

During the year, nine Board Meetings were held as under and attendance of Board Members is given below:

Date of the Board Meeting	Name of the Directors			
	K. A. Narayan	Harishkumar Chatterjee	Ganeshkumar S.	Jatin Khanna
30.04.2021	✓	✓	✓	NA
23.07.2021	✓	✓	✓	NA
22.10.2021	✓	✓	✓	NA
07.12.2021	✓	✓	✓	NA
18.01.2022	✓	✓	✓	NA
31.01.2022	✓	✓	NA	✓
25.02.2022	✓	✓	NA	✓
08.03.2022	✓	✓	NA	✓
28.03.2022	✓	✓	NA	✓

12. COMPLIANCE WITH SECRETARIAL STANDARDS

In terms of Section 118(10) of the Companies Act, 2013, the Company is complying with the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by Central Government with respect to Meetings of the Board of Directors and General Meetings.

13. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year under review were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

14. RISK MANAGEMENT

The Company has adequate risk management measures which are implemented, developed, assessed, reviewed and strengthened from time to time.

15. REPORTING OF FRAUDS

There was no instance of fraud during the year under review which required the Statutory Auditors to report to the Board under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder.

16. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a. that in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b. that the directors have 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 as at March 31, 2022 and of the loss of the Company for the year ended on that date;

c. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. that the directors have prepared the annual accounts on a going concern basis; and
e. that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company had no manufacturing activities during the period under review, the details as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo is not applicable to the Company.

18. ANNUAL RETURN

As per Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and relevant Rules, as amended from time to time, every company is required to place a copy of the annual return on the website of the Company, if any, and the web-link of such annual return shall be disclosed in the Board's report. Since the Company does not have a website, such provisions shall not be applicable to the Company.

19. PARTICULARS OF EMPLOYEES

The provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2022 are not applicable.

20. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l)of the Companies Act, 2013, there are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

21. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Since the company does not have any employees on its payroll, this disclosure under the above act is not applicable.

22. SIGNIFICANT OR MATERIAL ORDERS

There are no significant or material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

23. DISCLOSURES

No application has been made under the Insolvency and Bankruptcy Code. The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

24. ACKNOWLEDGEMENT

The Directors extend their grateful appreciation for the co-operation, support and valuable guidance received from banks, government and other statutory authorities.

For and on behalf of the Board of Directors of
RAYMOND LIFESTYLE LIMITED

	Sd/	**Sd/**
	HARISHKUMAR CHATTERJEE	**JATIN KHANNA**
	DIRECTOR	**ADDITIONAL DIRECTOR**
Place: Mumbai	**DIN: 03560685**	**DIN: 07089135**
Date: May 13, 2022		

INDEPENDENT AUDITOR'S REPORT

To the Members of Raymond Lifestyle Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Raymond Lifestyle Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, and the Statement of Profit and Loss, Statement of Changes in Equity and 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.

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 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its loss (including other comprehensive income) , its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including

Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibility of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 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 statement 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.

The 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 scepticism throughout the audit. We also:

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

    In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provide for any remuneration to its directors during the year.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

    a. The Company has no pending litigations as on March 31, 2022

b. The Company has no long term contracts including derivative contracts outstanding as on March 31, 2022

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 securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries
   ii. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
   iii. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (i) and (ii) above contain any material misstatement.

e. The Company has not declared or paid any dividend during the year ended 31 March 2022

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Sd/
Lalit R. Mhalsekar.
Membership No.103418

UDIN:

Place: Mumbai
Date:

Annexure A to Independent Auditor's Report – March 31, 2022

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Raymond Lifestyle Limited** ('the Company') on the financial statements for the year ended March 31, 2022, we report the following:

i. The Company does not have any property, plant and equipment or intangible assets or right of use assets or investment property and accordingly, reporting under clause 3(i) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as the Order) is not applicable to the Company.

ii. As explained to us and on the basis of the records examined by us, The company does not hold any inventory. Accordingly, clause 3(ii) of the Order is not applicable to the Company.

iii. In our opinion and according to the information and explanations provided to us, The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, The Company has not granted any loan or provided any guarantees or security to the parties covered under Section 185 of the Act and the company has not made investment hence, provision of Section 186 of the Act is not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from public and hence the directives issued by Reserve Bank of India and relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), the rules framed there under shall not apply. Accordingly, clause 3(v) of the Order is not applicable to the Company.

vi. According to the information and explanation given to us, pursuant to the rules made by The Central Government of India which does not specify the maintenance of cost record under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

vii. In respect of statutory dues:

(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

viii. According to the information and explanations given to us and representation given to us by the management, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

ix.

(a) According to the information and explanations given to us, the Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) In our opinion and according to the information and explanations given to us, the Company has not taken any short term loan. Hence reporting under clause 3(ix)(d) of the Order is not applicable.

(e) In our opinion and 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 subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x.

(a) During the year the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi.

(a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies 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 including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

xii. In our opinion and 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 to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with the companies (Indian Accounting Standards) Rules, 2015.Further, the Company is not required to constitute an Audit Committee Under section 177 of the Act, and Accordingly, to this extent, clause 3(xiii) of the Order is not applicable to the Company.

xiv. According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi.

a) To the best of our knowledge and according to the information and explanations provided to us , the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.

c) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) Based on the information and explanations given to us and as represented by the management of the Company, the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

xvii. The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year amounting to Rs. 181910 and Rs. 6298 respectively.

xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, reporting under clause 3(xviii) of the order is not applicable to the company.

xix. 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 and our knowledge of the Board of Directors and Management plans as explained in Note 8 of financial statement of demerger of real estate business of Raymond Limited into the company as per the scheme filed to National Company Law Tribunal (NCLT) 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 any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us, The Company does not fulfil the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.

xxi. The reporting under clause xxi is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Sd/
Lalit R. Mhalsekar.
Membership No.103418

UDIN:
Place: Mumbai
Date:

Annexure B to Independent Auditor's Report – March 31, 2022 on the Financial Statements of Raymond Lifestyle Limited

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

We have audited the internal financial controls with reference to financial statement of Raymond Lifestyle Limited ('the Company') as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 ("the 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") and the Standards on Auditing, issued by ICAI and 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 with reference to this financial statement and their operating effectiveness. Our audit of internal financial controls with reference to these financial statement included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with reference to these 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 these 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 Over Financial Reporting

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

Opinion

In our opinion,to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Sd/-
Lalit R. Mhalsekar.
Membership No.103418

UDIN:

Place: Mumbai
Date:

RAYMOND LIFESTYLE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2022

	Particulars	Note No.	As at 31st March, 2022 (Rs.)	As at 31st March, 2021 (Rs.)
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Property, Plant and Equipment	-	-	-
	(b) Financial Assets			
	(i) Investments	2	5,00,000	-
	(ii) Loans			-
2	**Current assets**			
	(a) Financial Assets			
	(i) Investments	-	-	-
	(ii) Cash and cash equivalents	3	906675	498584
	0		-	-
	TOTAL ASSETS		**1406675**	**498584**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	4	1500000	500000
	b) Other equity			
	(i) Reserves & Surplus	5	(193326)	(11416)
	(ii) Other Reserves (OCI)		-	-
2	**Liabilities**			
	Current liabilities			
	(a) Financial Liabilities			
	(i) Other financial liabilities	6	100000	10000
	(b) Other Current Liabilities			
	(i) Statutory Dues			-
	TOTAL LIABILITIES		**1406675**	**498584**
	Significant Accounting Policies	1		

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

Sd/
Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 13th May 2022

For Raymond Lifestyle Limited

Sd/
Jatin Khanna
Additional Director
DIN:07089135

Date : 13th May 2022

Sd/
Harishkumar Hariprasad Chatterjee
Director
DIN: 03560685

RAYMOND LIFESTYLE LIMITED
Statement of Profit and Loss for the period ended 31st March, 2022

	Particulars	Note No.	Year ended 31st March, 2022 (Rs.)	Year ended 31st March, 2021 (Rs.)
I	Revenue from operations		-	-
	Other income		-	-
	Total Income		**-**	**-**
II	**Expenses:**			
	Cost of materials consumed		-	-
	Purchases of stock-in-trade		-	-
	Employee benefits		-	-
	Finance costs		-	-
	Depreciation and amortisation		-	-
	Other expenses	7	181910	6298
	Total expenses		**181910**	**6298**
III	**Profit/(Loss) before tax (I - II)**		**(181910)**	**(6298)**
IV	**Tax expense**			
	Current tax		-	-
	Deferred tax charge/(credit)			
V	**Profit/ (Loss) after tax for the period (III - IV)**		**(181910)**	**(6298)**
VI	**Other Comprehensive Income for the year**			
	Items that will not be reclassified to Profit and Loss		-	-
	Items that will be reclassified to Profit and Loss		-	-
			-	-
VII	**Total Comprehensive Income for the year (V+VI)**		**(181910)**	**(6298)**
VIII	**Earnings per equity share**			
	Basic		(3.64)	(0.13)
	Diluted		(3.64)	(0.13)

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

For Raymond Lifestyle Limited

Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 13th May 2022

Sd/
Jatin Khanna
Additional Director
DIN:07089135

Date : 13th May 2022

Sd/
Harishkumar Hariprasad Chatterjee
Director
DIN: 03560685

Cash Flow Statement for the period ended 31st March, 2022

	Period ended 31st March, 2022 (Rs.)	Period ended 31st March, 2021 (Rs.)
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and tax	(181910)	(6298)
Adjustments for:		
Add/(Deduct):	-	-
Operating profit before working capital changes		
Adjustments for:		
Increase in trade and other payables and provisions	90000	5000
Cash used in operations	(91,910)	(1,298)
Direct taxes paid (net of refunds)	-	-
Net cash used in operating activities - [A]	(91,910)	(1,298)
CASH FLOW FROM INVESTING ACTIVITIES:		
Inflow	-	-
Outflow		
Investment in Ten X Realty Ltd.	(5,00,000)	
Net cash (used in)/ generated from investing activities - [B]	(5,00,000)	-
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceed from Issue of shares	1000000	-
Net cash generated from financing activities - [C]	10,00,000	-
Net increase in cash and cash equivalents - [A+B+C]	408091	(1298)
Add: Balance at the beginning	4,98,584	4,99,882
Cash/Cash Equivalent at the close of the period	906675	498584

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

For Raymond Lifestyle Limited

Sd/
Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 13th May 2022

Sd/
Jatin Khanna
Additional Director
DIN:07089135

Date : 13th May 2022

Sd/
Harishkumar Hariprasad Chatterjee
Director
DIN: 03560685

RAYMOND LIFESTYLE LIMITED
Statement of Changes in Equity for the period ended 31st March, 2022

Statement of other equity

Particulars	Retained Earnings (Rs.)
Balance as at 31.03.2020	**(5118)**
Changes in accounting policy or prior period errors	-
Restated balance at the beginning of previous year	**(5,118)**
Add : loss for the period	(6298)
Balance as at 31.03.2021	**(11416)**
Changes in accounting policy or prior period errors	-
Restated balance at the beginning of the current reporting period	**(11416)**
Add : loss for the period	(181910)
Balance as at 31.03.2022	**(193326)**

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

For Raymond Lifestyle Limited

Sd/
Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 13th May 2022

Sd/
Jatin Khanna
Additional Director
DIN:07089135
Date : 13th May 2022

Sd/
Harishkumar Hariprasad Chatterjee
Director
DIN: 03560685

RAYMOND LIFESTYLE LIMITED
Note 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I. Background

Raymond Lifestyle Limited ('RLL' or 'the Company') incorporated in India on 14th November, 2019 is yet to commence business of manufacturing and trading in textile apparel and real estate development.

Incorporation expenses have been incurred by the holding company in a capacity of Promoter.

II. Significant Accounting Policies followed by the Company

(a) Basis of preparation

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules,2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities that are measured at fair value;
2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value;

(iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupee as per the requirement of Schedule III, unless otherwise stated.

(v) Comparative amounts

As the Company is incorporated during the year, there are no comparative amounts.

(vi) Recent accounting developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.
On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below

Ind AS 16 – Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material

(b) Use of estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Cash and Cash Equivalents

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

(d) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(e) Revenue recognition

The Company will derive revenue primarily from sale of manufactured goods, traded goods and related services on commencement of its business.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

(f) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised 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.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the discount rates for Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity and pension; and

(b) defined contribution plans such as provident fund etc.

Pension and gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

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 employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised 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.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Company. The interest payable by the Trust is notified by the Government. The Company has an obligation to make good the shortfall, if any.

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(g) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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 off set where the Company 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.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(h) Earnings Per Share

Basic earnings per share
Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

III. Critical estimates and judgements -

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the Company's accounting policies.
This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

RAYMOND LIFESTYLE LIMITED
Notes to the financial statements for the period ended 31st March, 2022

Note 2 - Financial Assets - Investments

Particulars	As at 31st March, 2022 (Rs.)	As at 31st March, 2021 (Rs.)
TEN X REALTY LIMITED		
50000 equity shares of ₹ 10 each	500000	-
	500000	**-**

Note 3 - Bank Balances other than cash and cash equivalent

Particulars	As at 31st March, 2022 (Rs.)	As at 31st March, 2021 (Rs.)
Balances with Banks		
In current accounts	906675	498584
Total	**906675**	**498584**

Note 4 - Equity
(A) Equity Share Capital

Particulars	As at 31st March, 2022 (Rs.)	As at 31st March, 2021 (Rs.)
Authorised		
250000 equity shares of ₹ 10 each	2500000	1000000
Issued, Subscribed & Paid up		
150000 equity shares of ₹ 10 each fully paid- up	1500000	500000
Total	**1500000**	**500000**

i) Reconciliation of number of equity shares

	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares held	**Amount (Rs.)**	**No. of Shares held**	**Amount (Rs.)**
Equity Shares:				
Balance as at the beginning of the year	50000	500000	50000	500000
Changes in equity share capital due to prior period errors	-	-		
Issue of equity shares	100000	1000000		
Shares at the end of the year	**150000**	**1500000**	**50000**	**500000**

ii) Right, Preferences and restrictions attached to shares:

The Company has only one class of equity share having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders except in case of interim dividend . In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

iii) Details of shares held by holding company / shareholders holding more than 5% of the aggregate shares:

	As at 31st March, 2022		As at 31st March, 2021	
Equity Shares of Rs. 10 held by:	**No of Shares**	%	**No of Shares**	%
Raymond Limited, the holding company	150000	100	50000	100

RAYMOND LIFESTYLE LIMITED
Notes to the financial statements for the period ended 31st March, 2022

Note 5 - Other Equity
Reserve and Surplus

Particulars	Retained Earnings (Rs.)
Balance as at 31.03.2020	**(5,118)**
Changes in accounting policy or prior period errors	-
Restated balance at the beginning of previous year	**(5,118)**
Add : loss for the period	(6298)
Balance as at 31.03.2021	(11416)
Changes in accounting policy or prior period errors	-
Restated balance at the beginning of current year	**(11416)**
Add : loss for the period	(181910)
Balance as at 31.03.2022	**(193326)**

Note 6 - Current Liabilities - Other current financial liabilities

Particulars	As at 31st March, 2022 (Rs.)	As at 31st March, 2021 (Rs.)
Audit Fees Payable	70000	10000
Legal & Professional Charges Payable	30000	-
Total	**100000**	**10000**

Note 7 - Other Expenses

Particulars	As at 31st March, 2022 (Rs.)	As at 31st March, 2021 (Rs.)
Auditor's Remuneration	70000	5000
Legal and Professional Expenses	30000	-
Professional Expenses	29205	-
Bank Charges	1505	1298
Roc Fees Expenses	51200	-
Total	**181910**	**6298**

Note 8 - Demerger Scheme
The Board of Directors of the Company at its meeting held on 25 January 2022 have approved a Scheme of Arrangement ('Real Estate Scheme') between the Company and Raymond Limited (Holding Company of the Company) for demerger of the real estate business undertaking of the holding Company (as defined in the Real Estate Scheme) into Company on a going concern basis. The Appointed Date is 1 April 2022. The Real Estate Scheme will be effective upon receipt of such approvals as may be statutorily required including that of Mumbai Bench of the National Company Law Tribunal ("NCLT"). Pending receipt of final approval, no adjustments have been made in the books of account and in the accompanying standalone financial results.

Note 9 - Incorporation of Subsidiary Company
The Company incorporated Ten X Realty Limited as its wholly-owned subsidiary on December 24, 2021, with initial authorized and paid-up share capital of Rs. 10,00,000 and Rs.5,00,000/- respectively. Further the company (being intermediate wholly owned subsidiary) had opted exemption available under rule 6 of Companies (Accounts) Rules 2014 and accordingly not prepared Consolidated financial Statement for the year ended 31st March 2022.

Note 10 - Related party Disclosure under ind AS 24
1. Relationship
(a) Holding company
RAYMOND LIMITED
(b) Subsidiary company
TEN X (W.E.F. 24th Dec.2021)
2. Transactions carried out with related parties in the Ordinary course of Business .

	1 (a) above	1 (a) above	1 (b) above	1 (b) above
	Year ended 31st March 2022	Year ended 31st March 2021	Year ended 31st March 2022	Year ended 31st March 2021
Fresh Infusion of equity	1000000	-	500000	-

Note 11 - Other Statutory Information
(a) DETAILS OF BENAMI PROPERTY HELD
The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(b) RELATIONSHIP WITH STRUCK OFF COMPANIES
The Company do not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.
(c) WILLFUL DEFAULTER
The Company does not have any borrowing form banks and financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. Accordingly this close is not applicable.

(d) REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES
The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

(e) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY
The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(f) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
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.

(g) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company 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.
(h) UNDISCLOSED INCOME
The Company has not 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.

(i) BORROWINGS OBTAINED ON THE BASIS OF SECURITY OF CURRENT ASSETS
During the current year , the Company does not borrow any fund and hence this clause is not applicable.
(j) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM
During the current year , the Company does not borrow any fund and hence this clause is not applicable
(k) REVALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS
The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year

(l) COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES
The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017

(M) RATIOS
Ratios under Schedule III

Sr.No.	Particulars	Year ended 31.03.2022 (Audited)	Year ended 31.03.2021 (Audited)	Remarks
1	Current Ratio (Current Assets / Current Liab.)	9.07%	49.86%	Capital infusion of Rs. 10 Lakhs resulted to higher cash & bank banlance.
2	Debt- Equity Ratio	N.A.	N.A.	
3	Debt- Service Coverage Ratio	N.A.	N.A.	
4	Return on equity Ratio (Loss after Tax / Equity)	-7.18%	-77.58%	As stated above , due to increase in share capital return on equity gets changed with higher base.
5	Inventory Turnover Ratio	N.A.	N.A.	
6	Trade receivable Turnover Ratio	N.A.	N.A.	
7	Trade Payable turnover Ratio	N.A.	N.A.	
8	Net Capital Turnover Ratio	N.A.	N.A.	
9	Net profit Ratio	N.A.	N.A.	
10	Return on Capital employed Ratio (Loss after Tax / Net worth)	-13.92%	-1.29%	Due to increase in Expenses, There is reduction in capital employed ratio.
11	Return on Investment	0.00%	N.A.	

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

Sd/
Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 13th May 2022

For Raymond Lifestyle Limited

Sd/
Jatin Khanna
Additional Director
DIN:07089135

Sd/
Harishkumar Hariprasad Chatterjee
Director
DIN: 03560685

Date : 13th May 2022

TEN X REALTY LIMITED

FIRST ANNUAL REPORT (INCORPORATED ON 24.12.2021)

BOARD OF DIRECTORS	:	SHRI HARMOHAN SAHNI SHRI SANDEEP MAHESHWARI SHRI VIJAY PATIL
STATUTORY AUDITORS	:	MESSRS CHATURVEDI & SHAH LLP CHARTERED ACCOUNTANTS (Appointed as First Auditors till 1st AGM)
REGISTERED OFFICE	:	JEKEGRAM, POKHRAN ROAD NO. 1, THANE – 400 606, MAHARASHTRA

TEN X REALTY LIMITED
CIN: U70109MH2021PLC373916

DIRECTORS' REPORT

To,
The Members
The Directors take pleasure in presenting the First Annual Report together with Audited Financial Statements for the period ended on March 31, 2022.

1. FINANCIAL SUMMARY AND HIGHLIGHTS OF PERFORMANCE

The Company was incorporated on December 24, 2021 and has not yet commenced its commercial operations being the first financial year of the Company since incorporation. The Company is evaluating joint development of projects in Mumbai.

There has been no material change which occurred between the end of the said period and date of this Report, affecting the financial position of the Company. The Company has incurred loss of Rs. 78,866/- during the period under review.

2. DIVIDEND

Although the business activities of the Company have been started, the Company is yet to commence its commercial operations being the first financial year of the Company since incorporation and therefore, the Directors of your Company did not recommend any dividend to the equity shareholders the Company for the period ended March 31, 2022.

3. RESERVES

Your Company has not transferred any amount to the General Reserves of the Company.

4. STATUTORY AUDITORS

M/s. Chaturvedi & Shah, Chartered Accountants (Firm Registration no. 101720W / W100355), were appointed as the First Auditors of the Company and hold office till the conclusion of the first Annual General Meeting of the Company and being eligible offer themselves for re-appointment to hold the office as Statutory Auditors from the conclusion of the First Annual General Meeting until the conclusion of sixth Annual General Meeting at a remuneration as may be determined by the Board of Directors of the Company from time to time. They have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

There is no qualification made by the auditors in their audit report for the period under review.

Your Directors recommend the resolution in relation to their appointment as the Statuary Auditors of the Company for the approval by shareholders of the Company.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has adequate internal control and risk-mitigation system, which is constantly strengthened with new / revised standard operating procedures.

6. SHARE CAPITAL

The paid up equity share capital of the Company as on March 31, 2022 was Rs. 5.00 lakh. During the year under review, the Company has not issued any shares. apart from allotment of shares to subscribers to the Memorandum of Association.

As on March 31, 2022, except Shri Vijay Patil, Director (DIN:07173161) holding one share in the Company, none of the Directors of the Company hold any shares of the Company.

7. PUBLIC DEPOSITS

During the under review, the Company has not accepted any public deposits under Section 73 of the Companies Act, 2013.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees or Investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, forms part of the Notes to the Financial Statements.

9. DIRECTORS

Shri Harmohan Sahni (DIN: 00046068), Shri Sandeep Maheshwari (DIN: 08254851) and Shri Vijay Patil (DIN: 07173161) were appointed as First Directors of the Company since the date of incorporation of the Company i.e. December 24, 2021.

During the year, three Board Meetings were held on December 24, 2021, December 28, 2021 and February 21, 2022. Attendance of the Board Members is given below:

Date of the Board Meeting	Name of the Directors		
	Shri Harmohan Sahni	Shri Sandeep Maheshwari	Shri Vijay Patil
24/12/2021	✓	✓	✓
28/12/2021	✓	✓	✓
21/02/2022	✓	✓	✓

10. COMPLIANCE WITH SECRETARIAL STANDARDS

In terms of Section 118(10) of the Companies Act, 2013, the Company is complying with the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by Central Government with respect to Meetings of the Board of Directors and General Meetings.

11. RELATED PARTY TRANSACTIONS

During the period under review, the Company had entered into related party transactions with its ultimate holding company i.e. Raymond Limited and therefore, exempt under Section 188 of the Companies Act, 2013.

12. RISK MANAGEMENT

The Company has adequate risk management measures which are implemented, developed, assessed, reviewed and strengthened from time to time.

13. REPORTING OF FRAUDS

There was no instance of fraud during the year under review which required the Statutory Auditors to report to the Board under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder.

14. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a. that in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b. that the directors have 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 as at March 31, 2022 and of the loss of the Company for the year ended on that date;
c. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. that the directors have prepared the annual accounts on a going concern basis; and
e. that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the Company has no manufacturing facility, information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, on conservation of energy and technology absorption is not applicable. The Company has not yet commenced business operations and hence there were no Foreign exchange earnings / outgo for period under review.

16. ANNUAL RETURN

As per Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and relevant Rules, as amended from time to time, every company is required to place a copy of the annual return on the website of the Company, if any, and the web-link of such annual return shall be disclosed in the Board's report. Since the Company does not have a website, such provisions shall not be applicable to the Company.

17. PARTICULARS OF EMPLOYEES

The Company has not yet commenced business operations and does not have any employees. Therefore, furnishing of information in accordance with Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

18. MATERIAL CHANGES AND COMMITMENTS

Pursuant to the provisions of Section 134(3)(l)of the Companies Act, 2013, there are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the period and the date of this Report.

19. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

During the period under review, the Company has not yet commenced business operations and does not have any employees. Therefore, provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are not applicable to the Company.

20. SIGNIFICANT OR MATERIAL ORDERS

There are no significant or material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

21. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has not yet commenced business operations and therefore information pursuant to Section 134(3)(o) of the Companies Act, 2013 and Rule 9 of the Companies (Accounts) Rules, 2014 is not applicable.

22. APPLICABILITY OF MAINTENANCE OF COST RECORDS

The Company has not yet commenced business operations and therefore provisions related to maintenance of cost records as prescribed under Companies (Cost Records and Audit) Rules, 2014, are not applicable to the Company for the period under review.

23. RESIDUARY DISCLOSURES

During the year under review:

a. no Company have become or ceased to be its Subsidiaries, joint ventures or associate Companies. Hence, disclosure under Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is not applicable;

b. Company does not have any Independent Directors, hence disclosure under Section 134(3)(d) of the Companies Act, 2013 is not applicable;

c. Company does not cover under provisions of Section 178 of the Companies Act, 2013, hence disclosure under Section 134(3)(e) of the Companies Act, 2013 is not applicable;

d. Company does not cover under provisions of Rule 8(4) of the Companies (Accounts) Rules, 2014, hence disclosure under Section 134(3)(p) of the Companies Act, 2013 is not applicable;

e. the provisions of Section 125(2) of the Companies Act, 2013, do not apply as there was no unclaimed dividend in the previous years.

24. ACKNOWLEDGEMENT

The Directors extend their grateful appreciation for the co-operation, support and valuable guidance received from banks, government and other statutory authorities.

For and on behalf of the Board of Directors of
TEN X REALTY LIMITED

Sd/	**Sd/**
HARMOHAN SAHNI	**VIJAY PATIL**
DIRECTOR	**DIRECTOR**
DIN: 00046068	**DIN: 07173161**

Place: Mumbai
Date: May 13, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Ten X Realty Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ten X Realty Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, and the Statement of Profit and Loss, Statement of Changes in Equity and 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.

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 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its loss (including other comprehensive income) , its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion
We conducted our audit in accordance with Standards on Auditing (SAs) prescribed 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 ethical requirements that are relevant to our audit of the financial statements as per the ICAI's Code of Ethics and the provisions of the Companies Act, 2013 and Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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.

Responsibility of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 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 statement 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.

The 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 scepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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.

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

    In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provide for any remuneration to its directors during the year.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has no pending litigations as on March 31, 2022

b. The Company has no long term contracts including derivative contracts outstanding as on March 31, 2022

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 securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities (‘the intermediaries’), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (‘the Ultimate Beneficiaries’) or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries

ii. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (‘the Funding Parties’), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (‘Ultimate Beneficiaries’) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (i) and (ii) above contain any material misstatement.

e. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Sd/-
Lalit R. Mhalsekar.
Membership No.103418

UDIN:
Place: Mumbai
Date:

Annexure A to Independent Auditor's Report – March 31, 2022

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Ten X Realty Limited** ('the Company') on the financial statements for the year ended March 31, 2022, we report the following:

i. The Company does not have any property, plant and equipment or intangible assets or right of use assets or investment property and accordingly, reporting under clause 3(i) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as the Order) is not applicable to the Company.

ii. In our opinion and according to the information and explanations provided to us inventory consists of expense incurred on real estate project, which is in primary stage and cannot be physically verified. Accordingly, reporting under clause 3(i) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

iii. In our opinion and according to the information and explanations provided to us, The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, The Company has not granted any loan or provided any guarantees or security to the parties covered under Section 185 of the Act and the company has not made investment hence, provision of Section 186 of the Act is not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from public and hence the directives issued by Reserve Bank of India and relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), the rules framed there under shall not apply. Accordingly, clause 3(v) of the Order is not applicable to the Company.

vi. According to the information and explanation given to us, pursuant to the rules made by The Central Government of India which does not specify the maintenance of cost record under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

vii. In respect of statutory dues:

(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute

viii. According to the information and explanations given to us and representation given to us by the management, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

ix.

(a) According to the information and explanations given to us, the Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) In our opinion and according to the information and explanations given to us, the Company has not taken any short term loan. Hence reporting under clause 3(ix)(d) of the Order is not applicable.

(e) In our opinion and 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 subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x.

(a) During the year the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi.

(a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies 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 including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year

xii. In our opinion and 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 to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with the companies (Indian Accounting Standards) Rules, 2015.Further, the Company is not required to constitute an Audit Committee Under section 177 of the Act, and Accordingly, to this extent, clause 3(xiii) of the Order is not applicable to the Company.

xiv. According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi.

a) To the best of our knowledge and according to the information and explanations provided to us , the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.

c) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) Based on the information and explanations given to us and as represented by the management of the Company, the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

xvii. The Company has incurred cash losses of Rs.78866 during the financial year covered by our audit as this is the first year of incorporation of the Company.

xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, reporting under clause 3(xviii) of the order is not applicable to the company.

xix. 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 and our knowledge of the Board of Directors and Management plans as explained in Note No. XX of financial statement 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 any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us, The Company does not fulfil the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.

xix. The reporting under clause xxi is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Sd/
Lalit R. Mhalsekar.
Membership No.103418

UDIN:
Place: Mumbai
Date:

Annexure B to Independent Auditor's Report – March 31, 2022 on the Financial Statements of Ten X Realty Limited

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

We have audited the internal financial controls with reference to financial statement of Ten X Realty Limited ('the Company') as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 ("the 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") and the Standards on Auditing, issued by ICAI and 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 with reference to this financial statement and their operating effectiveness. Our audit of internal financial controls with reference to these financial statement included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

Opinion

In our opinion,to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Sd/
Lalit R. Mhalsekar.
Membership No.103418

UDIN:
Place: Mumbai
Date:

TEN X REALTY LIMITED
(Incorporated on 24th December 2021)

BALANCE SHEET AS AT 31ST MARCH, 2022

	Particulars	Note No.	As at 31st March, 2022 (Rs.)
I	**ASSETS**		
1	**Non-current Assets**		
	(a) Property, Plant and Equipment	-	-
	(b) Financial Assets		
	(i) Investments		
	(ii) Loans		
2	**Current assets**		
	(a) Inventories	2	10,207,000
	(b) Financial Assets		
	(i) Investments	-	-
	(ii) Cash and cash equivalents	3	557,615
	(c) Other Current Assets	4	10,048,305
	TOTAL ASSETS		**20,812,920**
II	**EQUITY AND LIABILITIES**		
1	**Equity**		
	a) Equity share capital	5	500,000
	b) Other equity		
	(i) Reserves & Surplus	6	(78,866)
	(ii) Other Reserves (OCI)		-
2	**Liabilities**		
	Current liabilities		
	(a) Financial Liabilities		
	(i) Trade Payables	7	
	(a) Total Outstanding dues of Micro and Small enterprises		
	(b) Total Outstanding dues of other than Micro and Small enterprises		19,492,455
	(b) Other Current Liabilities	8	899,330
	TOTAL LIABILITIES		**20,812,920**
	Significant Accounting Policies	1	

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

For Ten X Realty Limited

Sd/
Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 13th May 2022

Sd/
Vijay Patil
Director
DIN: 07173161

Sd/
Sandeep Kumar Maheshwari
Director
DIN:08254851

TEN X REALTY LIMITED

(Incorporated on 24th December 2021)

Statement of Profit and Loss for the period ended 31st March, 2022

	Particulars	Note No.	Year ended 31st March, 2022
I	Revenue from operations		-
	Other income		-
	Total Income		**-**
II	**Expenses:**		
	Cost of materials consumed		
	Purchases of stock-in-trade		-
	Changes in inventories of finished goods, stock-in-trade, work-in-progress and property under development	9	(10,207,000)
	Employee benefits		-
	Finance costs		-
	Depreciation and amortisation		-
	Other expenses		
	(a) Cost towards development of property	10	10,207,000
	(b) Other expenses	11	78,866
	Total expenses		**78866**
III	**Profit/(Loss) before tax (I - II)**		**(78866)**
IV	**Tax expense**		
	Current tax		-
	Deferred tax charge/(credit)		
V	**Profit/ (Loss) after tax for the period (III - IV)**		**(78866)**
VI	**Other Comprehensive Income for the year**		
	Items that will not be reclassified to Profit and Loss		-
	Items that will be reclassified to Profit and Loss		-
			-
VII	**Total Comprehensive Income for the year (V+VI)**		**(78866)**
VIII	**Earnings per equity share**		
	Basic		(1.58)
	Diluted		(1.58)

As per our Report of even date

For Chaturvedi & Shah LLP

Chartered Accountants

For Ten X Realty Limited

Sd/
Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 13th May 2022

Sd/
Vijay Patil
Director
DIN: 07173161

Sd/
Sandeep Kumar Maheshwari
Director
DIN:08254851

Cash Flow Statement for the period ended 31st March, 2022
(Incorporated on 24th December 2021)

	Period ended 31st March, 2022 (Rs.)
CASH FLOW FROM OPERATING ACTIVITIES:	
Profit before exceptional items and tax	(78,866)
Adjustments for:	
Add/(Deduct):	-
Operating profit before working capital changes	
Adjustments for:	
Increase in trade and other receivables	-
Increase in inventories	(10,207,000)
Increase in other current assets	(10,048,305)
Increase in trade payables	19,492,455
Increase in other current liabilities	899,330
Cash used in operations before Exceptional items	57,615
Exceptional items (net)	-
Cash used in operations	57,615
Direct taxes paid (net of refunds)	-
Net cash used in operating activities - [A]	57,615
CASH FLOW FROM INVESTING ACTIVITIES:	
Proceeds from sale of investments	-
Purchase of investments	-
Net cash (used in)/ generated from investing activities - [B]	-
CASH FLOW FROM FINANCING ACTIVITIES:	
Proceed from Issue of shares	500,000
Net cash generated from financing activities - [C]	500,000
Net increase in cash and cash equivalents - [A+B+C]	557,615
Add: Balance at the beginning	-
Cash/Cash Equivalent at the close of the period	557,615

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

For Ten X Realty Limited

Sd/
Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 13th May 2022

Sd/
Vijay Patil
Director
DIN: 07173161

Sd/
Sandeep Kumar Maheshwari
Director
DIN:08254851

Ten X Realty Limited
Statement of Changes in Equity for the period ended 31st March, 2022

Statement of other equity

Particulars	
Balance as at date of Incorporation	**-**
Add : loss for the period	-
Balance as at 31.03.2021	**-**
Add : loss for the period	(78,866)
Balance as at 31.03.2022	**(78,866)**

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

For Ten X Realty Limited

Sd/

Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 13th May 2022

Sd/

Vijay Patil
Director
DIN: 07173161

Sd/

Sandeep Kumar Maheshwari
Director
DIN:08254851

Ten X Realty Limited
Note 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I. Background

Ten X Realty Limited (‘TXRL’ or ‘the Company’) having CIN U70109MH2021PLC373916 is incorporated on 24th December 2021. The Company is limited by Shares incoporated and domiciled in India and is primarily engaged in the business of Real Estate construction, development and other related activities.

II. Significant Accounting Policies followed by the Company

(a) Basis of preparation

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules,2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities that are measured at fair value;
2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value;

(iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupee as per the requirement of Schedule III, unless otherwise stated.

(v) Comparative amounts

As the Company is incorporated during the year, there are no comparative amounts.

(vi) Recent accounting developments

Ministry of Coporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.
Om March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below
Ind AS 16 - Property Plant and Equipment

The amendment calrifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attrubutable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods begining on or after April, 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 - Provisions, Contigent Liabilities and Contigent Assets.
The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract.) The effective date for adoption of this amendment is annual periods begining on or after April, 1, 2022, although early adoption is permitted. The company has evaluated the amendment and the impact is not expected to be material.

(b) Use of estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Cash and Cash Equivalents

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

(d) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(e) Revenue recognition

Revenue from Real Estate property development is recognized over the period of time from the financial year in which Agreement to Sell is executed.

(f) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised 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.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the discount rates for Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity and pension; and

(b) defined contribution plans such as provident fund etc.

Pension and gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

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 employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised 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.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Company. The interest payable by the Trust is notified by the Government. The Company has an obligation to make good the shortfall, if any.

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(g) Income tax

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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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 off set where the Company 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.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(h) Earnings Per Share

Basic earnings per share
Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

III. Critical estimates and judgements -

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Ten X Realty Limited
Notes to the financial statements for the period ended 31st March, 2022

Note 2 - Inventories

Particulars	As at 31st March, 2022 (Rs.)
Property under development*	10,207,000
Total:	**10,207,000**

* Represents expenses incurred towards Consultancy charges in relation to the redevelopment of the property being land admeasuring approximately 21,089 Sq.mtrs bearing Survey No 426 (part), CTS No 418 of Village Bandra (East), Nirmal nagar, Mumbai - 400051

Note 3 - Bank Balances other than cash and cash equivalent

Particulars	As at 31st March, 2022 (Rs.)
Balances with Banks	
In current accounts	557,615
Total	**557,615**

Note 4 - Other Current Assets

Particulars	As at 31st March, 2022 (Rs.)
Secured Considered Good	
To Parties other than related	
Refundable deposits Refer Note (a) below	10,000,000
Others	48,305
	10,048,305

a.1 Represents Refundable deposit forwarded by Ten X Realty Limited (TXRL) to CRD Realtors Pvt Limited (Developer) on execution of Binding Supplementary Term Sheet dated 18th January 2022 in respect to the redevelopment of the property being land admeasuring approximately 21,089 Sq.mtrs bearing Survey No 426 (part), CTS No 418 of Village Bandra (East), Nirmal nagar, Mumbai - 400051

a.2 Refundable deposit is secured against the Terms of development and shall be adjusted by TXRL against the Developer Revenue share.

Note 5 - Equity

(A) Equity Share Capital

Particulars	**As at 31st March, 2022 (Rs.)**
Authorised	
100000 equity shares of ₹ 10 each	1,000,000
Issued, Subscribed & Paid up	
50000 equity shares of ₹ 10 each fully paid-up	500,000
Total	**500,000**

i) Reconciliation of number of equity shares

	As at 31st March, 2022	
	No. of Shares held	**Amount (₹ in lakhs)**
Equity Shares:		
Balance as at the beginning of the year	-	-
Issue of equity shares	50,000	500,000
Shares at the end of the year	**50,000**	**500,000**

ii) Right, Preferences and restrictions attached to shares:

The Company has only one class of equity share having a par value of Rs 10 per share. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on show of hands, every member present in person shall have one vote and on a poll,the voting rights of members shall be in proportion to his share in the paid up equity share capital of the company. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

iii) Details of shares held by holding company / shareholders holding more than 5% of the aggregate shares:

	As at 31st March, 2022	
Equity Shares of Rs. 10 held by:	**No of Shares**	**%**
Raymond Lifestyle Limited & it's Nominees	50,000	100%

Ten X Realty Limited
Notes to the financial statements for the period ended 31st March, 2022

Note 6 - Other Equity
Retained Earnings

Particulars	Reserves & Surplus
Balance as at 31.03.2021	-
Add : loss for the period	(78,866)
Balance as at 31.03.2022	**(78,866)**

Note 7 - Trade Payables

Particulars	As at 31st March, 2022
Trade payables	
- Amounts payable to related parties	19,492,455
Total	**19,492,455**

Trade Payable ageing as at 31st March, 2022

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
Related Parties	-	19,492,455	-	-	-	19,492,455
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Net undisputed(b)	-	19,492,455	-	-	-	19,492,455
Total (a+b)	-	19,492,455	-	-	-	19,492,455

Note 8 - Other current liabilities

Particulars	As at 31st March, 2022
Statutory dues	874,330
Provision for expenses	25,000
Total	**899,330**

Note 9 - Changes in inventories of finished goods, stock-in-trade, work-in-progress and property under development

Particulars	As at 31st March, 2022
Opening Inventories	
Property under development	-
	-
Closing Inventories	
Property under development	10,207,000
	10,207,000
Total:	**(10,207,000)**

Note 10 - Cost towards development of property

Particulars	As at 31st March, 2022
Design, Architect and other consultancy charges	10,207,000
	10207000

Note 11 - Other Expenses

Particulars	As at 31st March, 2022
Bank Charges	856
Audit fees	25,000
Other expenses	53,010
Total	**78,866**

Note 12 - Transactions & closing outstanding with Realted Parties :

Sr. No.	Name of Related Party	Nature of Relationship	Nature of the contract / arrangement	Duration of contract / arrangement	Material terms	Transactions during YTD Mar-22	Closing balance as on 31 Mar-22	Remarks
1	Raymond Limited	Ultimate holding Co	Reimbursement of expenses (Legal & Professional Fees)	Reimbursement on Actual Basis	Reimbursement of Expenditure & others on Actual Basis (Legal & Professional Fees)	19,492,455	19,492,455	-
2	Raymond Lifestyle Limited	Holding Co	Investment in Equity share capital	-	-	500,000	500,000	-

Note 13 - The ratios for the year ended March 31, 2022 are as follows :

		2021-22	Numerator	Denominator	Reasoning
1	Current Ratio(in times)	**1.02**	Current Assets	Current liabilities	
2	Debt-equity Ratio(in times)	**NA**	Total debt = (Long term borrowings including current maturities + current borrowings)	Equity = Issued Share capital + other equity	
3	Debt-Service Coverage Ratio(in times)	**NA**	Earnings available for debt service = Profit before tax - gain on disposal of discontinued operation + finance costs + Depreciation & amortisation expesnes	Debt service = Interest + Principal repayments	
4	Return on equity Ratio(in%)	**-18.73%**	Net profit after taxes	Average total equity	
5	Inventory Turnover Ratio(in times)	**NA**	Cost of Goods Sold	Average Inventory	
6	Trade Receivable Turnover Ratio(in times)	**NA**	Revenue from Sale of Products & Services	Average trade receivables	
7	Trade Payable Turnover Ratio(in times)	**0.52**	Net purchases of goods = Purchase of Raw materials included in cost of raw material consumed + purchase of stock in trade	Average Trade payables	
8	Net Capital Turnover Ratio(in%)	**NA**	Revenue from operations	Working capital = Current Assets - Current Liabilities	
9	Net Profit Ratio (in%)	**NA**	Net profit after tax	Revenue from operations	
10	Return on Capital Employed Ratio(in%)	**-18.73%**	Earnings before interest & taxes (including other income)	Capital Employed = Average total equity + Average total debt	
11	Return on Investment(in%)	**NA**	Income generated from invested funds	Current investment + Non current investments + other bank balances	

Note 14 - Contingent liability

a. Foreseeable Losses :
The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/applicable accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

b. Pending litigations :
The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

Note 15 - Other Statutory information

a. Details of Benami Property held :
The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

b. Relationship with Struck Off companies :

The Company do not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

c. Wilful defaulter :

The company does not have any borrowings from banks and financial institutions or other lender (as defined under the Companies Act, 2013)or consortium thereof. In accordance with the guidelines on wilful defaulters issued by Reserve Bank of India. Accordingly, this clause is not applicable.

d. Registration of charges or Satisfaction with Registrar of companies
The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

e. Details of Crypto Currency or Virtual Currency
The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

f. The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(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.

The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company 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.

g. Undisclosed Income
The Company has not executed 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.

h. Borrowings obtained on the basis of Security of Current Assets
During the year, the company has not borrowed any funds and this clause is not applicable

i. Utilisation of Borrowed funds and Share premium
During the year, the company has not borrowed any funds and this clause is not applicable

j. Revalution of Property, Plant and Equipment and Intangible assets
The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year

k. Compliance with number of layers of companies
The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

Sd/
Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 13th May 2022

For Ten X Realty Limited

Sd/
Vijay Patil
Director
DIN: 07173161

Sd/
Sandeep Kumar Maheshwari
Director
DIN:08254851

Jaykayorg S.A.

Neuchâtel

Report of the statutory auditors to the General Meeting

on the financial statements 2021

Report of the statutory auditors

on the limited statutory examination to the General Meeting of

Jaykayorg S.A.
Neuchâtel

As statutory auditors, we have examined the financial statements of Jaykayorg S.A., which comprise the balance sheet, profit and loss statement and notes, for the year ended 31 December 2021.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

In the year under review, employees of our firm provided tax services to your company. However, these employees were not personally involved in the limited statutory examination.

We conducted our examination in accordance with the Swiss Standard on Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered appropriate in the circumstances. However, the testing of the operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements and the proposed appropriation of available earnings do not comply with Swiss law and the company's articles of incorporation.

PricewaterhouseCoopers SA

Roberto Di Grazia	Mike Montandon
Audit expert Auditor in charge	Audit expert

Neuchâtel, 1 April 2022

Enclosures:

- Financial statements (balance sheet, profit and loss statement and notes)
- Proposed appropriation of available earnings

PricewaterhouseCoopers SA, Rue des Epancheurs 6, case postale, CH-2001 Neuchâtel, Switzerland
Téléphone: +41 58 792 67 00, Téléfax: +41 58 792 67 10, www.pwc.ch

Jaykayorg AG, Neuchâtel

Balance sheet as at 31 December
(in Swiss francs)

Assets	**2021**	**2020**
Current assets		
Cash and cash equivalents	235'335	633'983
Trade receivables due from direct / indirect investments	684'113	439'433
Other current receivables due from group companies	100'000	100'000
Total current assets	**1'019'448**	**1'173'416**
Non-current assets		
Financial assets -	2'393'833	2'234'820
Long-term receivables from group companies	*800'000*	*900'000*
Long-term investments with a quoted market price	*1'593'832*	*1'334'820*
Investments	275'500	275'500
Property, plant and equipment	819	1'366
Total non-current assets	**2'670'152**	**2'511'686**
Total assets	**3'689'600**	**3'685'103**

Liabilities	**2021**	**2020**
Short-term liabilities		
Accrued expenses and deferred income	19'621	28'210
Total short-term liabilities	**19'621**	**28'210**
Total liabilities	**19'621**	**28'210**
Shareholders' equity		
Share capital	50'000	50'000
Legal reserves	25'000	25'000
Profit brought forward	3'581'893	3'677'482
Profit for the year / (Loss)	13'086	-95'589
Total shareholders' equity	**3'669'979**	**3'656'893**
Total liabilities	**3'689'600**	**3'685'103**

Jaykayorg AG, Neuchâtel

Profit and loss statement for the financial year ended 31 December (in Swiss francs)

	2021	2020
Commission received	187'062	219'585
Commission paid	-92'680	-155'613
Staff costs	-55'721	-63'065
Other operating expenses -	-134'593	-190'286
Marketing costs	*-96'024*	*-106'049*
Consultancy and development cost	*-16'908*	*-32'696*
Directors fees, accounting and audit	*-21'662*	*-51'541*
Depreciation to fixed assets	-547	-912
Operating Result	**-96'480**	**-190'292**
Financial income -	116'352	118'952
Profit on investment	*34'949*	*10'071*
Interest income	*60'595*	*60'163*
Exchange profit	*20'808*	*48'718*
Financial expenses -	-6'786	-24'249
Bank Charges	*-6'786*	*-7'347*
Exchange loss	*0*	*-16'902*
Result before taxes	**13'086**	**-95'589**
Profit for the year / (Loss)	**13'086**	**-95'589**

Notes to the 2021 financial statements
(in Swiss francs)

1 Accounting principles applied in the preparation of the financial statements

These financial statements have been prepared in accordance with the provisions of commercial accounting as set out in the Swiss Code of Obligations (Art. 957 to 963b SCO, effective since 1 January 2013). Significant balance sheet items are accounted for as follows:

1.1 Trade receivables

Trade receivables and other short-term receivables are carried at their nominal value. There is no value correction on this part. Loans are confirmed with confirmation statements as of December 31, 2021.

1.2 Long-term investments with a quoted market price

Long-term investments with a quoted market price are priced according to historical value less amortization as per art 960a para 2. of SCO.

1.3 Recognition of revenue

Commission received are resulting of payments from the entity of Raymond Europe Limited.
The commissions are used to finance the activity of Jaykayorg AG which is to create new commercial opportunities for the Group Raymond. The commission received in 2021 are used to cover the costs of the actity.

1.4 Non-current assets and leases

Property, plant and equipment is carried at cost or manufacturing cost less depreciation.

Depreciation is calculated on the basis of the following useful lives and in accordance with the following methods:

Property, plant and equipment	Useful life	Method
Computers	5 years	40% degressive
Vehicles and machinery	5 years	40% degressive

1.5 Foreign currencies

Monetary and non-monetary items in foreign currency are translated into Swiss francs at the following exchange rates:

Foreign currency	2021 profit and loss statement	Balance sheet as at 31.12. 2021
GBP	1.2468	1.2468
USD	0.9233	0.9233
EUR	1.0453	1.0453

The exchange rates used for balance sheet items are the rates prevailing on December 31; the exchange rates used for transactions conducted during the course of the year and for items in the profit and loss statement are average rates for the 2021 financial year.

2 Details, analyses and explanations to the financial statements

The company Jaykayorg AG is located in Neuchâtel.

The number of full-time equivalents did not exceed 10 on an annual average basis.

2.1 Equity participations

		2020		2021	
Name and legal form	Registered office	Capital	Votes	Capital	Votes
PT. Jayka Files Indonesia	Sidoarjo	332'000 RPH	15.2	332'000 RPH	15.2

2.2 Pension liabilities

There is no liability to the pension scheme as on 31 December 2021 (2020 : 0.-)

2.3 Significant events occurring after the balance sheet date

None

Jaykayorg AG, Neuchâtel

Retained earnings carried forward
(in Swiss francs)

	2021	2020
Retained earnings at the beginning of the period	3'581'893	3'677'482
Profit / (Loss) for the year	13'086	-95'589
Retained earnings available to the general meeting	**3'594'979**	**3'581'893**

Motion of the board of directors on the
allocation of retained earnings
(in Swiss francs)

	2021 Motion of the board of directors	**2020** Decision of the shareholder's meeting
Retained earnings available to the general meeting	**3'594'979**	**3'581'893**
Carried forward	**3'594'979**	**3'581'893**

Registered number: 00427594

RAYMOND (EUROPE) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

RAYMOND (EUROPE) LIMITED

COMPANY INFORMATION

Directors	G. H. Singhania M. Mishra
Company secretary	M. Mishra
Registered number	00427594
Registered office	Barratt House 341-349 Oxford Street London W1C 2JE
Independent auditors	Simmons Gainsford LLP Chartered Accountants & Statutory Auditors 14th Floor 33 Cavendish Square London W1G 0PW

RAYMOND (EUROPE) LIMITED

CONTENTS

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their Annual Report, together with the financial statements and auditor's report of Raymond (Europe) Limited, (the "Company") for the year ended 31 December 2021.

Business review

During the year the Company sought to position itself for future growth opportunities for longer term value for the Shareholders.

Long term relationships with major customers remain strong and this allied to further enhancements should help the Company achieve its desired returns.

The directors consider that the results for the year and the state of the Company's affairs at the year end, as shown in the financial statements, to be satisfactory.

Principal risks and uncertainties

COVID-19 Impact
Due to the COVID-19 disruption, our customers were not trading at their full capacity and turnovoer therefore reduced during the period. This changed from the middle of 2021 as turnover recovered, and we anticipate that this will further increase in 2022.

The long term trading condition still looks favourable, as we have strong client base and it is anticipated that the turnover will gradually increase once the pandemic is over. We anticipate there will be changes in customer habits towards spending on suits, but we do not anticipate a considerable shift to change our business model. In addition, we anticipate change to the supply chain structure as more business will reduce the risk of sourcing from one supplier, which will benefit the company to grow its customer base.

The management of the Company does not believe that the Coronavirus will have a direct impact in its ability to continue to provide its planned services. However, the demand for these services will be dependent on the overall economic environment. The management will closely monitor the situation and act accordingly to mitigate any impact.

Foreign exchange risk
Foreign currency risk exposures arises primarily from trade receivables, trade payables and intercompany loans denominated in Euros and US Dollars.

Trade receivables
Trade receivables are managed in respect of credit and cash flow risk by regular review of customers' credit rating, continual communication with customers and regular monitoring of amounts outstanding and the age of debt.

Trade payables
Trade payables liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Financial key performance indicators

The key performance indicators of the company are turnover and gross profit margin. A brief analysis of these is shown below:

	2021	2020	Variance
	£	£	%
Turnover	5,563,335	5,309,027	4.79
Gross profit margin	14.68%	12.86%	

This report was approved by the board and signed on its behalf.

....
M. Mishra
Director

Date:

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year were:

G. H. Singhania
V. P. Singhania (resigned 17 March 2022)
M. Mishra

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Simmons Gainsford LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

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M. Mishra
Director

Date:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAYMOND (EUROPE) LIMITED

Opinion

We have audited the financial statements of Raymond (Europe) Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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 ISAs (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In order to identify and assess the risks of material misstatements, including fraud and non-compliance with laws and regulations that could be expected to have a material impact on the financial statements, we have considered:

- the results of our enquiries of management and those charged with governance of their assessment of the risks of fraud and irregularities;
- the nature of the company, including its management structure and control systems (including the opportunity for management to override such controls);
- management’s incentives and opportunities for fraudulent manipulation of the financial statements including the company’s remuneration and bonus policies and performance targets; and
- the industry and environment in which it operates.

We also considered UK tax and pension legislation and laws and regulations relating to employment and the preparation and presentation of the financial statements such as the Companies Act 2006.

Based on this understanding we identified the following matters as being of significance to the entity:

- laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Company Law, tax and pension legislation and distributable profits legislation;
- the timing of the recognition of commercial income;
- compliance with legislation relating to health and safety and local employment law.
- management bias in selecting accounting policies and determining estimates;
- inappropriate journal entries;
- recoverability of debtors; and
- the requirement to impair stock and the amount of any such impairment.

We communicated the outcomes of these discussions and enquiries, as well as consideration as to where and how fraud may occur in the entity, to all engagement team members.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised:

- enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations;
- enquiries with the same concerning any actual or potential litigation or claims;
- discussion with the same regarding any known or suspected instances of non-compliance with laws and

regulation and fraud;

- assessment of matters reported to management and the result of the subsequent investigation;
- obtaining an understanding of the relevant controls during the period;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or crediting revenue or cash;
- accessing the recovery of debtors in the period since the balance sheet date and challenging assumptions made by management regarding the recovery of balances which remain outstanding;
- challenging key assumptions made by management in their assessment of any impairment to the carrying value of the stock
- reviewing the financial statements for compliance with the relevant disclosure requirements;
- performing analytical procedures to identify any unusual or unexpected relationships or unexpected movements in account balances which may be indicative of fraud;
- reviewing correspondence with HMRC; and
- evaluating the underlying business reasons for any unusual transactions;

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAYMOND (EUROPE) LIMITED (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Atulya Mehta (Senior statutory auditor)

for and on behalf of
Simmons Gainsford LLP

Chartered Accountants
Statutory Auditors

14th Floor
33 Cavendish Square
London
W1G 0PW
Date:

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Turnover	4	5,563,335	5,309,027
Cost of sales		(4,812,058)	(4,626,213)
Gross profit		751,277	682,814
Distribution costs		(163,911)	(178,852)
Administrative expenses		(625,072)	(600,122)
Other operating income		93,784	88,801
Operating profit/(loss)	5	56,078	(7,359)
Interest receivable and similar income		2,455	5
Interest payable and similar expenses		(41,329)	(73,330)
Profit/(loss) before tax		17,204	(80,684)
Tax on profit/(loss)	9	(3,361)	15,062
Profit/(loss) for the year		13,843	(65,622)

RAYMOND (EUROPE) LIMITED
REGISTERED NUMBER: 00427594

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note		2021 £		2020 £
Current assets					
Stocks	11	1,586,752		506,797	
Debtors: amounts falling due after more than one year	12	66,451		66,505	
Debtors: amounts falling due within one year	12	2,820,558		1,637,032	
Cash at bank and in hand	13	535,068		912,110	
		5,008,829		3,122,444	
Creditors: amounts falling due within one year	14	(3,704,014)		(1,741,263)	
Net current assets			1,304,815		1,381,181
Total assets less current liabilities			1,304,815		1,381,181
Creditors: amounts falling due after more than one year	15		(729,216)		(819,425)
Net assets			575,599		561,756
Capital and reserves					
Called up share capital			1,000		1,000
Profit and loss account			574,599		560,756
			575,599		561,756

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

....
M. Mishra
Director

Date:

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2020	1,000	626,378	627,378
Comprehensive income for the year			
Loss for the year	-	(65,622)	(65,622)
At 1 January 2021	1,000	560,756	561,756
Comprehensive income for the year			
Profit for the year	-	13,843	13,843
At 31 December 2021	1,000	574,599	575,599

The notes on pages 13 to 24 form part of these financial statements.

1. General information

Raymond (Europe) Limited is a private company limited by share capital, incorporated in England and Wales, registered number 00427594. The address of the registered office is Barratt House, 341-349 Oxford Street, London, W1C 2JE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Raymond Limited as at 31 March 2021 and these financial statements may be obtained from Plot No. 156, No. 2, Village Zadagon, Ratnagiri 415612, (Maharashtra), India..

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Commission income is recognised only when the customer has paid for the goods supplied and the cash is received.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2. Accounting policies (continued)

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2. Accounting policies (continued)

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 6 years
Fixtures, fittings and equipment	- 4 - 10 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2. Accounting policies (continued)

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.13 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.15 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

4. Turnover

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Clothing wholesale	5,160,535	5,043,055
Commissions receivable	402,800	265,972
	5,563,335	5,309,027

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	4,482,171	3,770,655
Rest of Europe	468,205	694,868
Rest of the world	612,959	843,504
	5,563,335	5,309,027

5. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2021 £	2020 £
Exchange differences	15,228	69,210
Other operating lease rentals	133,922	101,752
	118,694	32,542

6. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	17,030	15,000

Fees payable to the Company's auditor and its associates in respect of:

All other services	11,081	2,794

7. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	2020 No.
Management	1	1
Marketing	2	2
Administrative	6	6
	9	9

8. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	85,000	86,667

The highest paid director received remuneration of £85,000 (2020 - £86,667).

9. Taxation

	2021 £	2020 £
Corporation tax		
Adjustments in respect of previous periods	-	(6,505)
Total current tax	-	(6,505)
Deferred tax		
Origination and reversal of timing differences	3,361	(8,557)
Total deferred tax	3,361	(8,557)
Taxation on profit/(loss) on ordinary activities	3,361	(15,062)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit/(loss) on ordinary activities before tax	17,204	(80,684)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	3,269	(15,330)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(579)	(133)
Utilisation of tax losses	(3,627)	(6,777)
Unrelieved tax losses carried forward	5,108	8,724
Other differences leading to an increase (decrease) in the tax charge	(810)	(1,546)
Total tax charge for the year	3,361	(15,062)

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

10. Tangible fixed assets

	Motor vehicles £	Fixtures, fittings & equipment £	Total £
Cost or valuation			
At 1 January 2021	43,885	98,176	142,061
At 31 December 2021	43,885	98,176	142,061
Depreciation			
At 1 January 2021	43,885	98,176	142,061
At 31 December 2021	43,885	98,176	142,061
Net book value			
At 31 December 2021	-	-	-
At 31 December 2020	-	-	-

11. Stocks

	2021 £	2020 £
Raw materials and consumables	461,400	199,702
Finished goods and goods for resale	1,125,352	307,095
	1,586,752	506,797

12. Debtors

	2021 £	2020 £
Due after more than one year		
Trade debtors	41,739	41,793
Other debtors	24,712	24,712
	66,451	66,505

	2021 £	2020 £
Due within one year		
Trade debtors	2,382,604	1,260,510
Amounts owed by group undertakings	221,016	311,056
Other debtors	66,449	7,682
Prepayments and accrued income	141,500	45,434
Deferred taxation	8,989	12,350
	2,820,558	1,637,032

13. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	535,068	912,110
Less: bank overdrafts	(130,678)	-
	404,390	912,110

14. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	130,678	-
Trade creditors	2,239,561	498,576
Amounts owed to group undertakings	27,294	16,350
Other taxation and social security	227,439	290,128
Other creditors	52,692	87,155
Accruals and deferred income	1,026,350	849,054
	3,704,014	1,741,263

The bank overdraft of £130,678 (2020: £nil) is secured by way of floating charge over the assets of the Company.

15. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Amounts owed to group undertakings	729,216	819,425

16. Deferred taxation

	2021 £
At beginning of year	12,350
Charged to profit or loss	(3,361)
At end of year	8,989

The deferred tax asset is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	3,440	3,659
Tax losses carried forward	5,549	8,691
	8,989	12,350

17. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £3,041 (2020 - £3,072) . Contributions totalling £2,730 (2020 - £1,194) were payable to the fund at the balance sheet date and are included in creditors.

18. Commitments under operating leases

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	54,075	27,613
Later than 1 year and not later than 5 years	419,081	-
Later than 5 years	468,650	-
	941,806	27,613

19. Related party transactions

The company has taken advantage of the exemptions available in Financial Reporting Standard 102, whereby it has not disclosed transactions with the immediate parent company or any wholly owned subsidiary undertaking of the group.

Included in other debtors there is the amount of £1,604 (2020: £905) which directors owe to the company.

20. Controlling party

The company regards Raymond Limited, a company incorporated in India, as its immediate and ultimate parent undertaking for the current and preceding year. The financial statement in which the results of the company are consolidated are available to the public at the following address:

Plot No. 156
H. No. 2
Village Zadgaon
Ratnagiri 415612
(Maharashtra)
India

Registered number: 00427594

RAYMOND (EUROPE) LIMITED

DETAILED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Turnover		5,563,335	5,309,027
Cost Of Sales		(4,812,058)	(4,626,213)
Gross profit		751,277	682,814
Other operating income		93,784	88,801
Less: overheads			
Selling and distribution expenses		(163,911)	(178,852)
Administration expenses		(625,072)	(600,122)
Operating profit/(loss)		56,078	(7,359)
Interest receivable		2,455	5
Interest payable		(41,329)	(73,330)
Tax on profit/(loss) on ordinary activities		(3,361)	15,062
Profit/(Loss) for the year		13,843	(65,622)

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Turnover		
Sales - Domestic	4,482,171	3,770,655
Sales - Other EU	326,705	267,017
Sales - Rest of world	210,159	577,532
Commissions receivable - Other EU	141,500	427,851
Commissions receivable - Rest of world	402,800	265,972
	5,563,335	5,309,027

	2021 £	2020 £
Cost of sales		
Opening stocks and work in progress	506,797	893,022
Closing stocks and work in progress	(1,586,752)	(506,797)
Purchases	5,555,109	3,568,362
Commissions payable	320,566	599,876
Discount allowed	16,338	71,750
	4,812,058	4,626,213

	2021 £	2020 £
Other operating income		
Government grants receivable	93,784	88,801

	2021 £	2020 £
Selling and distribution expenses		
Promotion	72,805	84,564
Commission	1,131	1,185
Carriage	89,975	93,103
	163,911	178,852

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Administration expenses		
Directors salaries	85,000	86,667
Staff salaries	150,816	151,503
Staff national insurance	19,529	19,140
Staff pension current service costs (DC)	3,041	3,072
Motor running costs	13,306	7,894
Entertainment	-	(500)
Hotels, travel and subsistence	35,833	13,610
Printing and stationery	4,200	3,982
Telephone and fax	10,463	7,735
Computer costs	13,054	12,816
Trade subscriptions	7,618	5,510
Legal and professional	3,691	-
Auditors' remuneration	17,030	15,000
Auditors' remuneration - non-audit	11,081	2,794
Bank charges	6,883	16,796
Difference on foreign exchange	15,228	69,210
Sundry expenses	19,754	5,898
Rent - operating leases	133,922	101,752
Rates	39,503	42,300
Light and heat	2,159	2,284
Cleaning	633	1,246
Insurances	15,954	23,455
Repairs and maintenance	9,174	7,430
Depreciation - office equipment	-	138
Depreciation - fixtures and fittings	-	390
Recruitment cost	7,200	-
	625,072	600,122

	2021 £	2020 £
Interest receivable		
Bank interest receivable	2,455	5

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
Interest payable		
Bank overdraft interest payable	-	23,208
Other interest	41,329	50,122
	41,329	73,330

SILVER SPARK

A Raymond INITIATIVE

SILVERS SPARK APPAREL ETHIOPIA PLC

INDEPENDENT AUDITORS' REPORT AND ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

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Tesfaye Teferi Anbesse
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Chartered Certified Accountants
የተመሰከረለት ኦዲት ድርጅት
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AUDITORS' REPORT ON THE ACCOUNTS OF SILVERS SPARK APPAREL ETHIOPIA PLC

Opinion

We have audited the financial statements of Silver Spark Apparel Ethiopia PLC, which comprises the Balance Sheet as at 31 December 2021, and the statement of profit or loss, statement of changes in equity and statement of cash flow for the year then ended, and notes forming part of the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements presents fairly, in all material respects, financial position of the Company as at 31 December 2021 and its financial performance and its cash flows for the year then ended in accordance with the financial framework of the Company and applied consistently.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting policies adopted by the Company, and for such internal control as management determine is necessary to enable the preparation of financial statements that 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 charges with governance are responsible for overseeing the Company's financial reporting process.

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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 misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.

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21 January 2022
Addis Ababa

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SILVER SPARK APPAREL ETHIOPIA PLC
BALANCE SHEET
AS AT DECEMBER 31, 2021

	Notes	Birr	Birr	2020 Birr
ASSET EMPLOYED				
Plant, Property and Equipment	2b, 3		264,104,169	289,034,570
Intangible asset	4		2,309,551	2,696,674
Pre-operating Expense	2d, 5		-	7,705,732
Other non-current asset	6		5,448,130	30,058,080
			271,861,850	329,495,056
CURRENT ASSET				
Inventory	7	22,367,118		47,135,104
Debtors and prepayments	2c, 2f, 8	46,516,044		52,698,842
Cash at bank	9	110,446,005		12,638,785
		179,329,167		112,472,731
CURRENT LIABILITY				
Trade payable	10	262,426		2,912,392
Service providers & other creditors	11	9,706,237		31,032,834
Provisions & Accruals	12	29,881,662		52,214,419
		39,850,325		86,159,645
NET CURRENT ASSETS			139,478,842	26,313,086
			411,340,692	355,808,142
REPRESENTED BY				
Capital	1		466,611,600	466,611,600
Retained earnings (adverse)	14		(198,785,586)	(224,969,774)
			267,826,014	241,641,826
Silver Spark Middle East (FZE)	15		143,514,678	114,166,316
			411,340,692	355,808,142

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The notes to the accounts form part of the financial statements and should be read in conjunction.

SILVER SPARK APPAREL ETHIOPIA PLC
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Notes	Birr	Birr	2020 Birr
EXPORT INCOME	16		284,063,430	310,800,826
COST OF GOODS SOLD	17		(166,973,972)	(208,127,496)
GROSS PROFIT/(LOSS)			117,089,458	102,673,330
OTHER INCOME	18		3,203,538	137,352
			120,292,996	102,810,683
EXPENSES				
Selling and distribution	19	12,880,752		13,335,574
Administrative	20	78,099,715		69,992,486
Financial Charges	21	3,128,341		17,178,273
			(94,108,808)	(100,506,333)
PROFIT/LOSS FOR THE YEAR			26,184,188	2,304,349
RETAINED EARNINGS (ADVERSE) BROUGHT FORWARD			(224,969,774)	(227,274,123)
RETAINED EARNINGS (ADVERSE) CARRIED FORWARD			(198,785,586)	(224,969,774)

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SILVER SPARK APPAREL ETHIOPIA PLC
STATEMENT OF CHANGE IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2021

	Paid up capital	Share Application Money	Retained earnings (adverse)	Total
	Birr	Birr	Birr	Birr
Balance as at January 1, 2020	**162,008,700**	**156,137,405**	**(227,274,123)**	**90,871,982**
Addition	304,602,900	(156,137,405)	-	304,602,900
Loss for the year	-	-	2,304,349	(153,833,056)
Balance as at December 31, 2020	**466,611,600**	**-**	**(224,969,774)**	**241,641,826**
Addition	-	-	-	
Profit for the year	-	-	26,184,188	26,184,188
Balance as at December 31, 2021	466,611,600	-	(198,785,586)	**267,826,014**

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SILVER SPARK APPAREL ETHIOPIA PLC
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2021

	Note	Birr	Birr
Operating activities			
Profit for the year			26,184,188
Adjustment for:			
Depreciation and amortization			33,539,227
Operating profit/(loss) before changes in operating assets & liabilities			59,723,415
Changes in operating assets and liabilities:			
Increase in other non-current assets		24,609,950	
Decrease in stock		24,767,986	
Decrease in debtors		6,182,798	
Increase in trade payable		(2,649,966)	
Decrease in service providers & other creditors		(21,326,597)	
Increase in provisions & Accruals		(22,332,757)	
Decrease in related Party		29,348,362	38,599,776
Net cash flows generated from operating activities			98,323,191
Investing activities			
Capital injection		-	
Purchase of property and equipment		(515,971)	
Purchase of software		-	
Net cash flows used in investing activities			**(515,971)**
Financing activities			
Net cash flows used in financing activities			-
Net increase in cash and cash equivalents			97,807,220
Cash and bank balances at January 1, 2021			12,638,785
Cash and cash equivalents at December 31, 2021			**110,446,005**

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The notes to the accounts form part of the financial statements and should be read in conjunction.

SILVER SPARK APPAREL ETHIOPIA PLC
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED DECEMBER 31, 2021

1. BACKGROUND

Silver Spark Apparel Ethiopia PLC was established on August 8, 2016 for the purpose of manufacturing of wearing apparel including sport wears. The initial share capital was Birr 4,200,000 divided in to 2000 shares of Birr 2,100 par value each. On 14th November 2019 the capital is increased to Birr 162,008,700 divided into 77,147 shares of Birr 2,100 par value each. Furthermore, on 15th March 2020 the capital is increased to Birr 448,833,000 divided into 213,730 shares of Birr 2,100 par value each. On 28th December 2020 the capital is increased to Birr 466,611,600 divided into 222,196 shares of Birr 2,100 par value each.

The Company is located in Southern, Nations, Nationalities and Peoples' Region (Hawassa) town in Hawassa Industrial Park. It has been issued investment permit No EIA-IP/024382/08 on September 5, 2016.

The Company has obtained its Company license No EIA-0L/4304/2017 dated July 20, 2017. Following that, the Company has started operation from September 1, 2017.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting-policies adopted and consistently applied by the Organization are the following: -

a) Basis of accounting

Accrual basis of accounting is adopted.

b) Fixed assets

Leasehold land is carried at historical cost. All other items of Fixed Assets are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation methods

i. For account preparation purpose

As per its accounting policy, the Company depreciates assets at the following rate:

Category	Method	Rate
Plant & equipment	Straight-line	6.33%
Furniture & fixtures	Straight-line	15%
Vehicles	Straight-line	15%
Office equipment	Straight-line	15%
Computers	Straight-line	20%

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ii. For tax purpose

As per the provision of Chapter 2 Article 36 to 41 of the Council of Ministers Regulation of the Federal Income Tax Proclamation No. 979/2016, taxpayers can determine depreciation deduction according to straight line method or diminishing value method, except for a Company intangible and a structural improvement, of depreciation provided the taxpayer has used the same method of depreciation in its financial accounts prepared in accordance with financial reporting standards, and that the same method of depreciation is used by the taxpayer for all depreciable assets owned by the taxpayer. The company has selected straight line depreciation method for new asset that are bought since establishment. This method is used for Company tax calculation purpose.

Category	Method	Rate
Plant & equipment	Straight-line	15%
Furniture & fixtures	Straight-line	15%
Vehicles	Straight-line	15%
Office equipment	Straight-line	15%
Computers	Straight-line	20%

Leasehold land is amortized over period of lease. Leasehold improvements are amortized over the period of lease or estimated useful lives whichever is lower.

Operating Lease

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 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.

c) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months).

d) Pre operating expense (preliminary expenditures)

Pre operating expenses are stated at cost less accumulated amortization. Amortization is computed at a rate of 25% per annum on straight line basis, as per Income Tax Regulation No 410/2017, after the start of operation.

e) Company Intangibles

Company intangibles are stated at cost less accumulated amortization. Amortization of Company intangibles with a useful life of more than 10 years is computed at a rate of 10% per annum on straight line basis, as per Income Tax Regulation No 410/2017, after the start of operation. Company intangibles with useful life of less than 10 years are amortized over the useful life of the intangible.

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f) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known /materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The estimates and judgments that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

g) Provision, contingent liabilities and Contingent Assets

Provisions: Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence 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.

Contingent Assets: Contingent Assets are neither recognized nor disclosed in the financial statements.

h) Measurement of defined contribution

As per the Private Organization Employees Pension Proclamation No. 715/2011, the company is required to make a defined contribution of a percentage of the employees' basic monthly salary to the fund. This is reported as part of employees salary and benefit to the extent it is incurred. Any unpaid amount is shown as current liability.

i) Taxation

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 profits. As the Company is exempt for tax, tax liability is not calculated, and hence neither deferred tax asset nor differed tax liability is recognized.

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3. PLANT, PROPERTY AND EQUIPMENT

	Balance at January 1, 2021	Addition	Transfer/ Reclassification	Balance at December 31, 2021
	Birr	Birr	Birr	Birr
COST				
Plant & equipment	332,445,921	-	340,099	332,786,020
Fencing	1,246,723	-	-	1,246,723
Furniture & fixtures	10,747,978	-	-	10,747,978
Vehicles	5,400,100	-	-	5,400,100
Office equipment	2,459,933	-	122,372	2,582,305
Computers	7,608,388	-	53,500	7,661,888
Capital Work In progress	-	515,971	(515,971)	-
	359,909,043	515,971	-	360,425,014
ACCUMULATED DEPRECIATION				
Plant & equipment	58,444,797	21,050,463	-	79,495,260
Fencing	165,755	69,714	-	235,469
Furniture & fixtures	4,940,493	1,612,197	-	6,552,690
Vehicles	2,563,974	810,015	-	3,373,989
Office equipment	761,724	378,847	-	1,140,571
Computers	3,997,730	1,525,136	-	5,522,866
	70,874,473	25,446,372	-	96,320,845
NET BOOK VALUE	289,034,570			264,104,169

4. INTANGIBLE ASSET

The balance represents cost of ERP software installed and being used in the Factory.

	Birr	Birr
Cost		3,871,226
Less: Previous year amortization	1,174,552	
Current year amortization	387,123	1,561,675
		2,309,551

5. PREOPERATING EXPENSE

	Balance as at December 31,2020 Birr	Addition Birr	Balance as at December 31,2021 Birr
Cost	46,489,135	-	46,489,135
Less: Amortization	38,783,403	7,705,732	46,489,135
	7,705,732	7,705,732	-

6. OTHER NON-CURRENT ASSET

i. The composition of the balance is as follows:

	Birr	2020 Birr
Security Deposit	5,265,208	5,265,058
Ethiopian Electric Utility deposit	112,000	112,000
Guarantee deposits – Ministry of Education	-	14,760,000
Bid bond deposits	-	9,850,100
YKK India Private Ltd	70,922	70,922
	5,448,130	30,058,080

ii. The company signed a rental agreement with the Industrial Parks Development Corporation (IPDC) on December 22, 2016 for a rental of sheds in the Industrial Park in Hawassa. According to the agreement rental fee of US$ 2 per square meter per month will be paid in the first 4years. The rent is agreed to be increased as indicated in the agreement from year 5 onwards. The term of the lease is for initial 15 years with renewal provision for 5 additional terms of 5 years each, making the total lease period 40 years. A park management company is hired by the lessor which will be responsible for maintenance and operations of the Industrial park and for which the company is required to make bi-annual fee in addition to the rental fee. The balance indicated above is the amount paid as deposit, equivalent to US$ 198,000. The increment is exchange rate gain.

iii. Following the breakout of COVID-19, the Company started production of PPE for bids issued by different government agencies the major one being the Ministry of Education and Ethiopian Pharmaceutical Supply Agency. The amounts presented above are bid bond deposit through CPOs to guarantee a bid and bank guarantee for performance of the bid.

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7. INVENTORY

	Birr	2020 Birr
Fabric, trims and consumables	1,682,049	3,079,773
Finished Goods	11,244,827	36,477,491
Work in progress	1,290,175	819,457
Spare parts and others	8,150,067	6,758,383
	22,367,118	47,135,104

8. DEBTORS AND PREPAYMENTS

	Birr	2020 Birr
Trade debtors - Silver Spark Middle East (FZE)	32,865,316	13,595,637
Trade debtors – domestic sales	247,429	35,167,346
Prepaid expenses	293,829	384,194
VAT Receivable	8,775,736	1,106,363
Advance to suppliers	4,333,734	2,445,302
	46,516,044	52,698,842

9. CASH AT BANK

	Birr	2020 Birr
Commercial Bank of Ethiopia - USD A/C - 1000175832843	197,109	9,594
Commercial Bank of Ethiopia - ETB A/C - 1000177893238	19,235	460,361
Commercial Bank of Ethiopia-HIP-1000206023361	6,181,344	11,959,722
Commercial Bank of Ethiopia - Ret B - USD A/C 1000215663397	-	10,622
Commercial Bank of Ethiopia USD A/C 1000215662717	16,917,062	155,150
Commercial Bank of Ethiopia HIP 3172	87,085,475	-
Cash on hand	45,780	43,336
	110,446,005	12,638,785

10. TRADE PAYABLE

	Birr	2020 Birr
JAS Holdings Garment solu	262,426	1,911,249
Ginchi Trading PLC	-	794,241
Atinafu Ayalew	-	93,452
Senait Alemu Bogele	-	113,450
	262,426	2,912,392

11. SERVICE PROVIDERS & OTHER CREDITORS

	Birr	2020 Birr
Everest apparel(Ethiopia)	-	27,397,929
Industrial park development	3,632,506	-
Value cargo plc	1,750,635	943,022
Dita transit & logistics	1,079,448	283,421
Melehk logistics plc	769,881	-
Bollore transport &	642,294	-
Amarech sema elala	139,819	-
M+R logistics india pvt l	133,033	133,033
Siraaj logistics and gene	126,716	126,716
Panafric global p l c	112,703	389,646
Haile & alem internationa	80,081	253,267
Deneke engidawork	13,170	18,476
Logistics service sarl	-	19,284
Le havre transit	-	135,894
Birhan hitmetina	-	22,390
Ethiopian electric utility	-	108
DHL worldwide express eth	-	119
Others	1,225,951	1,309,529
	9,706,237	31,032,834

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12. PROVISION & ACCRUALS

	Birr	2020 Birr
Provision for Expenses	20,638,614	45,496,611
Salary and Wages payable	8,087,509	5,806,782
Withholding Tax	103,131	55,710
VAT Payable	-	2,820
Excise Duty Payable	1,393	1,504
PAYE(Pay as You Earn) WHT Payable	505,785	522,648
Pension Fund (Employee) Contribution Payable	212,338	127,850
Pension Fund (Employer) Contribution Payable	332,892	200,494
	29,881,662	52,214,419

13. RELATED PARTY

Silver Spark Apparel Limited, a company registered in India, is a 100% shareholder of Silver Spark Middle East (FZE), which in turn is a 99% owner of Silver Spark Apparel Ethiopia (SSAE) PLC.

14. RETAINED EARNINGS (ADVERSE)

Article 543 of the Commercial Code of Ethiopia provides that where three-quarters of the paid up capital is lost, consultation with the members of the Company shall be made to both develop and communicate a plan to reverse the loss situation; or to decide dissolution of the company. As presented in the Statement of Financial Position, the accumulated loss of the Company has exceeded the Company's paid up capital. The company has a plan to increase its paid up capital through capitalization of payable to its shareholders.

15. SILVER SPARK MIDDLE EAST (FZE)

Silver Spark Middle East (FZE) is the major shareholder of the Company holding 1,990 shares of the total 2,000 shares. The funding for the operation of the Ethiopian Company comes mainly from it. The balance indicated is the total of expenditures paid by the shareholder on behalf of the Company. It is composed of the following:

	Birr	2020 Birr
Cost of equipment purchased for SSAE PLC	-	-
Expenditures paid on behalf of SSAE PLC	143,514,678	114,166,316
	143,514,678	114,166,316

16. EXPORT INCOME

The Company is fully engaged in 'Cut to Make (CM Mode)' activities where by raw materials are received from the parent Company; and only cutting, stitching and finishing of garment is made in the Company. The income earned is therefore from provision of these services, and does not include any sales of products. In the current year, the income earned was broken down as follows:

	Birr	2020 Birr
CM--Trousers , Vest and Jacket	284,063,430	310,800,826

17. COST OF GOODS SOLD

	Birr	2020 Birr
Manufacturing cost		
Materials consumed	82,348,306	78,139,544
Wood Consumption	4,158,472	4,357,796
Direct labor	40,318,665	41,342,354
Depreciation	25,833,495	26,060,413
Factory shed rent	35,752,990	25,267,472
Light & power	2,925,686	2,970,323
Repair and maintenance	1,339,740	797,459
Miscellaneous	-	91,750
	192,677,354	179,027,111
Less: Decrease (Increase) in WIP	(470,718)	367,722
	192,206,636	179,394,833
Decrease (Increase) in finished products	(25,232,664)	28,732,661
	166,973,972	208,127,494

18. OTHER INCOME

	Birr	2020 Birr
Interest income	3,087,869	-
Sale of Process Waste	115,669	137,352
	3,203,538	137,352

19. SELLING EXPENSE

	Birr	2020 Birr
Export expenses	9,892,782	7,763,768
Testing/Certification/Inspection Fees	4,312,204	1,946,210
Courier charge -Sample	1,175,766	1,125,596
Claims & Compensation	(2,500,000)	2,500,000
	12,880,752	13,335,574

20. ADMINISTRATIVE EXPENSE

	Birr	2020 Birr
Salaries & Wages	42,558,010	39,142,383
Rent	2,920,149	2,831,945
Per-operating expense – amortization	7,705,732	11,595,116
Travelling Expenses	7,499,884	4,137,351
Guest House Expenses	2,192,242	2,418,704
Insurance	1,589,271	1,317,579
Gardening & Park Maintenance	6,313,188	3,710,805
Printing And Stationery	2,253,505	891,221
Security Services	494,888	435,210
Communication	406,859	155,775
Car running & rental	565,257	588,297
IT outsourcing charges	802,780	289,240
Audit & professional Fees	698,318	1,003,571
Subscription	701,236	627,149
Housekeeping expense	807,611	671,065
Miscellaneous	590,785	177,075
	78,099,715	69,992,486

21. FINANCIAL CHARGE

a) This balance is composed of the following:

		2020
	Birr	Birr
Term loan interest	9,916,470	12,990,373
Bank service charge	3,367,170	1,343,750
Revaluation gain or loss	(10,155,299)	2,844,150
	3,128,341	17,178,273

b) The machineries imported from abroad are financed by the Silver Spark Middle East (FZE) through term loan obtained from a bank there. That interest is charged to SSAE as the money is spent on its behalf.

22. TAX HOLIDAY

According to the Investment incentives and Investment Areas Reserved for Domestic Investors Council of Ministers Regulation No 270/2012, Manufacturing of Wearing Apparel (including Sports Wears) is entitled to Income tax exemption for 6 years. According to the same Regulation Article 7, the Company, as a company that exports more than 80% of its products, is entitled to income tax exemption for further four years after the expiry of the given holiday. Commencement of Income Tax exemption as per Article 11 of the regulation is the date of commencement of production. SSAE PLC has got an official exemption letter from Ethiopian Investment Commission, reference No HIP/Income/002 dated 24 Meskerem 2012 (October 5, 2019).

Tesfaye Teferi Anbesse
Certified Audit Firm
P O Box 102297 Addis Ababa, Ethiopia
E-mail: tesfayetef@gmail.com

R&A LOGISTICS, INC.
AUDITED FINANCIAL SATEMENTS
MARCH 31, 2022

TABLE OF CONTENTS

Gerald Schneider CPA PC
232 Madison Ave New York NY 10016

Independent Auditors' Report

To the Board of Directors
R&A Logistics, Inc.

We have audited the accompanying financial statements of R&A Logistics, Inc., which comprise the balance sheet as of March 31, 2022, and the related statements of operations and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluation of the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of R&A Logistics, Inc. as of March 31, 2022, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Gerald Schneider CPA

April 15, 2022

R&A LOGISTICS, INC.
BALANCE SHEET
MARCH 31, 2022

ASSETS

Current Assets		
Cash in bank	$ 1,515,609	
Accounts Receivable	$ 4,182,134	
Accounts Receivable - Related Party (2)	$ 2,340,008	
Advances to Service Provider	$ 27,802	
Total Current Assets		$ 8,065,553
Fixed and Other Assets		
Fixed assets net of accumulated depreciation and provision for impairment **(1)**	$ 17,475	
Deferred Tax Asset	$ 409,621	
Traded Goods in Transit	$ 1,261,888	
Security Deposit	$ 3,810	
Total Fixed and Other Assets		$ 1,692,794
Total Assets		**$ 9,758,347**

LIABILITIES & SHAREHOLDERS' EQUITY

Current Liabilities		
Accounts Payable	$ 113,697	
Accounts Payable - Related Party **(2)**	$ 8,634,176	
Tax Payable	$ 2,000	
Advance Against Sales	$ 11,500	
Accrued Expenses	$ 449,503	
Total Current Liabilities		$ 9,210,876
Short Term Loan - Related Party **(2)**		$ 250,000
Total Liabilities		$ 9,460,876
Shareholders' Equity		
Equity Share Capital	$ 1,700,300	
Retained Earnings	$ (1,402,829)	
Total Shareholder's Equity		$ 297,471
Total Liabilities & Shareholders' Equity		**$ 9,758,347**

The accompanying notes are an integral part of this Audited Financial Statement.
See the Accountant's Audit Report.

R&A LOGISTICS, INC.
STATEMENT OF OPERATIONS AND RETANED EARNINGS
FOR THE YEAR ENDED MARCH 31, 2022

Net Sales	$ 32,509,455
Cost of goods sold	$ 31,417,372
Gross profit	$ 1,092,083
Other Income **(7)**	$ 185,910
Net Income before overhead	$ 1,277,993
Depreciation Expense	$ 20,639
Selling General and Administrative Expenses	$ 358,812
	$ 379,451
Income from Continuing Operations	$ 898,542
Provision for Deferred Tax Benefit **(1)**	$ 409,621
Net Income	$ 1,308,163
Retained earnings - beginning of year	$ (2,710,992)
Retained earnings - end of year	**$ (1,402,829)**

The accompanying notes are an integral part of this Audited Financial Statement.
See the Accountant's Audit Report.

R&A LOGISTICS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2022

Cash Flows from Operating Activities:		
Net Income	$	1,308,163
Adjustments to reconcile net income (loss) to net cash used for operating activities:		
Depreciation	$	20,639
Deferred Tax Asset	$	(409,621)
Provision for Doubtful Debts	$	(299,428)
Changes in operating assets and liabilities:		
Accounts Receivable - Third Party	$	(1,768,256)
Accounts Receivable - Related Party	$	(1,958,314)
Advances to Service Provider	$	(27,802)
Prepaid Expenses	$	(60)
Security Deposit	$	12,500
Traded Goods in Transit	$	(1,261,887)
Tax Payable	$	2,000
Accounts Payable - Third Party	$	38,438
Accounts Payable - Related Party	$	5,565,657
Short Term Loan - Related Party	$	(175,000)
Accrued Expenses	$	373,372
Net cash provided by operating activities	$	1,420,401
Increase (decrease) in cash and cash equivalents	$	1,420,401
Cash and cash equivalents, beginning of year	$	95,208
Cash and cash equivalents, end of year	$	1,515,609

The accompanying notes are an integral part of this Audited Financial Statement.
See the Accountant's Audit Report.

R&A LOGISTICS, INC.
NOTES TO THE FINANCIAL STATEMENTS

Note 1 - Nature of Business and Summary of Significant Account Policies

Nature of Business

During the fiscal year ended March 31, 2022, the Company continued selling various types of men's garments, including suits, jackets, trousers, and shirts, to major U.S. clothing retailers.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all short-term investments with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits.

Accounts Receivable and Allowance for Doubtful Accounts

The Company sells its product to customers on an open credit basis. The Company's trade accounts receivable are due from such customers and are generally uncollateralized. Management provides an allowance for doubtful accounts based upon a review of existing receivables. Upon this review, management has decreased its allowance for doubtful accounts of accounts receivable as of March 31, 2022 by $299,428 to $35,614.

Inventories

No inventories are maintained by the Company as of March 31, 2022.

Property and Equipment

Property and equipment are stated at cost and are being depreciated over their estimated service lives using the straight-line method for financial reporting and accelerated methods and statuory lives for income tax reportng purposes. Estimated service lives of property are as follows:

	No. Years
Leasehold improvements	5
Office furniture and equipment	5
Comptuer equipment	5

The Company maintained fixed assets for the purpose of displaying products in Macy's physical retail store locations. The worldwide COVID-19 pandemic caused disruptions to Macy's business. Consequently, the company took a one-time loss on abandonment of the Macy's store assets through a provision for impairment of $625,444 in the prior fiscal year ended March 31, 2021.

Accounts Payable and Cost of Goods Sold
The Company purchases substantially all of the goods it sells from Silver Spark Apparel, Ltd and other affiliated companies. This is shown on the balance sheet as Accounts Payable - Related Parties. Other accounts payable are standard vendor accounts payable for operating expenses.

Income Taxes
Current income tax expense is provided at effective statutory rates, reduced by available tax credits. Deferred tax benefit represents primarily the expected usage in future periods of loss carryforwards available at statutory tax rates.

Subsequent Events
R&A Logistics, Inc. evaluated the effect subsequent events would have on the financial statements through April 30, 2022, which is the date the financial statements were available to be issued. No subsequent events adversely affect these financial statements as of the date of this report.

Note 2 - Transactions with Related Parties

The Company has participated in various transactions with Silver Spark Apparel, Ltd. (SSAL), of which R&A Logistics, Inc. is a wholly owned subsidiary. They have in prior and/or the current year participated in various transactions with Raymond, Ltd, Silver Spark Middle East FZE, and Raymond (Europe) Limited, which are all related through common ownership. The following is a summary of transactions and balances for the year ended March 31, 2022.

Accounts payable to SSAL	$ 8,634,176
Accounts receivable from Silver Spark Middle East FZE	$ 2,340,008
Short Term Loan - Raymond (Europe) Ltd	$ 250,000

Note 3 - Revenue Recognition

R&A Logistics, Inc recognizes revenue when its products are shipped in accordance with accepted industry practices. At the time of shipment, products have transferred title, and cash or receivables can be measured with reasonable precision. Allowances for sales returns are recorded as a component of net sales in the year the allowances are recognized.

Note 4 - Lease Commitments

An office in New Jersey was opened on September 1, 2020 for which rent expense in the current fiscal year was incurred of $19,200.

Future minimum lease payments for the New Jersey office under the noncancellable operating lease as of March 31, 2022 are as follows:

FYE 2023	$8,000

Note 5 - Shareholder's Equity

Common stock has no par value. There were 100,000 shares authorized with 24,000 shares issued and outstanding. The sole shareholder (SSAL) also contributed $1,700,000 of additional paid-in capital in FYE March 31, 2019.

Note 6 - Major Customers

R&A Logistics, Inc had two major customers comprising a significant portion of sales revenues and accounts receivable for the current fiscal year.

Note 7 - Other Income

Other income in the current fiscal year represents the net of the current fiscal year's provision of bad debts netted against the reversal of last fiscal year's provision for doubtful debts.

R&A LOGISTICS, INC.
SUPPLEMENTAL BALANCE SHEET SCHEDULES
FOR THE YEAR ENDED MARCH 31, 2022

ACCOUNTS RECEIVABLE

Sundry Debtors - Domestic	$	4,217,748
Provision for Doubtful Debts	$	(35,614)
Total Accounts Receivable	**$**	**4,182,134**

FIXED ASSETS NET OF ACCUMULATED DEPRECIATION AND PROVISION FOR IMPAIRMENT

Computers	$	37,198
Improvements to Leasehold Premises	$	670,751
Furniture & Fixtures	$	99,269
Fixed Assets	$	167,013
Less: Accumulated Depreciation	$	(331,312)
Provision for Impairment of Fixed Assets	$	(625,444)
Total Fixed Assets Net of Accumulated Depreciation	**$**	**17,475**

The accompanying notes are an integral part of this Audited Financial Statement.
See the Accountant's Audit Report.

R&A LOGISTICS, INC.
SUPPLEMENTAL PROFIT AND LOSS SCHEDULES
FOR THE YEAR ENDED MARCH 31, 2022

COST OF GOODS SOLD

COGS Traded Goods - Import	$	24,338,308
Carriage Inwards	$	2,536,091
Job Work Charges - Local	$	4,542,973
Total Cost of Goods Sold	**$**	**31,417,372**

SELLING GENERAL AND ADMINISTRATIVE EXPENSES

Salaries	$	124,020
Commission to Selling Agents	$	67,842
Legal Professional and Consulting	$	38,613
Legal Professional Certification and Fees	$	740
Bank Charges	$	36,899
Office General	$	9,530
Postage & Courier	$	3,780
Donations	$	15,000
Telephone	$	419
Software Expense	$	8,511
Rates & Taxes	$	3,777
Rent Expense	$	19,200
Rent Premises Staff	$	(6,300)
Statutory Audit Fees	$	22,809
Travel Expense	$	13,972
Total General and Administrative Expenses	**$**	**358,812**

27/04/2022 Prop a/c

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SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

6th Audited Financial Statements
Year Ended March 31, 2022

CONTENTS

Independent Auditor's Report to the Sole Shareholder of

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Report on the Financial Statements

We have audited the accompanying financial statements of SILVER SPARK MIDDLE EAST FZE, SAIF Zone, U.A.E., which comprises the Statement of Financial Position as at March 31, 2022 and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and the fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium Sized Entities, and for such internal control as management determines is necessary to enable the presentation of financial statements that 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 and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations and disclosing, as applicable, matters related to going concern.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Independent Auditor's Report continued......

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained up to the date of our auditor's report is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of SILVER SPARK MIDDLE EAST FZE, SAIF Zone, U.A.E. as at March 31, 2022 and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards for Small and Medium Sized Entities and comply with Sharjah Airport International Free Zone Authority's Implementing Regulations issued pursuant to Emiri Decree No. 2 of 1995 of H.H.Sheikh Sultan Bin Mohammed Al Qassimi, The Ruler of Sharjah.

Other Legal and Regulatory Requirements

As required by the Implementing Regulations, we further confirm that we have obtained all informations and explanations necessary for our audit and that proper books of accounts have been kept by the company. We are not aware of any violation of the above mentioned Regulations and the Articles of Association, which may have had a material effect on the business of the company or on its financial position.

These are separate (standalone) Financial Statements of the Subsidiary. Consolidated Financial Statements will be prepared by the Ultimate Parent Company including this Subsidiary and its step down subsidiary.

For Parag Parekh and Co. Chartered Accountants

PParekh

Parag Pratap Parekh
MOE Registration No. 449
Dubai, United Arab Emirates
Dated : April 21, 2022

باراج باريخ وشركاه لمراجعة الحسابات
PARAG PAREKH & CO
CHARTERED ACCOUNTANTS
P.O. BOX: 120341, DUBAI - U.A.E.

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Statement of Financial Position		**As at**	**As at**
As at March 31, 2022		**31.3.2022**	**31.03.2021**
All figures are expressed in Dirhams	Note		
Non - Current Assets			
Investment in Equity of Subsidiary	3	62,858,267	62,858,267
Due from Subsidiary (Long Term)	4	18,110,220	16,092,751
		80,968,487	78,951,018
Current Assets			
Inventory	5	14,805,001	7,844,567
Trade Debtors	6, 10	5,135,823	8,352,554
Bank Balances		29,283	30,787
Deposits, Advances and Prepayments		1,350,140	717,830
Sub Total	CA	21,320,246	16,945,738
Current Liabilities			
Bank Borrowings	7	30,438,669	27,501,241
Trade Creditors	8, 10	23,848,884	15,356,356
Accruals		598,630	110,546
Advances from Trade Debtors	10	8,587,830	10,409
Loan from Parent Company	10i	15,333,800	15,333,800
Sub Total	CL	78,807,814	58,312,352
Net Current Assets / Liabilities	CA-CL	-57,487,568	-41,366,614
Non Current liabilities			
Bank Borrowings	7	5,027,900	20,469,425
Net Assets		18,453,020	17,114,979
Shareholder's Equity			
Share Capital	1a	16,350,000	16,350,000
Additional Share Capital		1,093,181	1,093,181
Accumulated Profits		1,009,839	-328,202
Total		18,453,020	17,114,979

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation. These financial statements were approved on April 21, 2022 and signed On Behalf of the Board by

سلفر سبارك ميدل إيست (م.م.ح)
P.O. Box: 513549
Sharjah - U.A.E.
SILVER SPARK MIDDLE EAST (FZE)

Abdulla Nalupurappattil Kizhekepurayil
Manager

Auditor's Report Page - 2

Dubai - U.A.E.

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Income Statement

Year Ended March 31, 2022		12 months	15 months
All figures are expressed in Dirhams	Note	**31.3.2022**	**31.03.2021**
Sales		58,903,192	42,009,941
Cost of Sales	9	-54,292,335	-39,334,222
Gross Profit		4,610,857	2,675,719
Expenses			
Administrative Costs		666,568	887,759
Salaries & Benefits		124,500	151,815
Finance Cost	10i	2,481,749	2,905,941
Sub - total		3,272,816	3,945,515
Net (Loss) / Profit for the Year		**1,338,041**	**-1,269,796**

On Behalf of Board of Directors

Abdulla Nalupurappattil Kizhekepurayil
Manager

Auditor's Report Page - 2

سلفر سبارك ميدل إيست (م.م.ح)
P.O. Box: 513549
Sharjah - U.A.E.
SILVER SPARK MIDDLE EAST (FZE)

Dubai - U.A.E.

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Statement of Changes in Equity
Year Ended March 31, 2022

All figures are expressed in Dirhams

	Share Capital	Additional Capital	Accumulated Profits	Total
Balance as at 1.4.2021	16,350,000	1,093,181	-328,202	17,114,979
Transfer from Income Statement	0	0	1,338,041	1,338,041
Balance as at 31.3.2022	16,350,000	1,093,181	1,009,839	18,453,020
Balance as at 1.1.2020	16,350,000	1,093,181	941,594	18,384,775
Transfer from Income Statement	0	0	-1,269,796	-1,269,796
Balance as at 31.3.2021	16,350,000	1,093,181	-328,202	17,114,979

Dubai - U.A.E.

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Cash Flow Statement
Year Ended March 31, 2022

All figures are expressed in Dirhams

				15 months 31.3.2021
I	**Cash Flow from Operating Activities**			
	Net Profit / (Loss)		1,338,041	-1,269,796
	Finance Cost		2,481,749	2,905,941
	Operating Profit Before changes in operating assets and liabilities		3,819,790	1,636,145
	Inventory		-6,960,434	4,390,011
	Trade Debtors		3,216,731	-2,345,982
	Deposits, Advances and Prepayments		-632,310	452,284
	Trade Creditors		8,492,528	4,757,682
	Advances from Trade Debtors		8,577,421	10,409
	Accruals		488,084	-436,780
	Net Cash Generated From Operations		17,001,811	8,463,769
II	**Cash Flow from Investing Activities**			
	Investment in Equity of Subsidiary		0	-33,037,980
	Due From Related party		0	724,888
	Due From Subsidiary		-2,017,469	29,126,081
	Net Cash used in Investing Activities		-2,017,469	-3,187,011
III	**Cash Flow from Financing Activities**			
	Import Financing (Trust Receipts)		73,137	-163,658
	Term Loans		-13,478,928	-8,231,878
	Finance Cost		-2,481,749	-2,905,941
	Loan from Parent Company		0	9,925,005
	Due to Related party		0	-2,764,809
	Net Cash used in Financing Activities		-15,887,541	-4,141,281
	Changes in Cash and Cash Equivalents	I+II+III	-903,199	1,135,477
	Cash and Cash Equivalents at the beginning		-13,025,493	-14,160,970
	Cash and Cash Equivalents at the end		-13,928,692	-13,025,493
			0	0

Supplemental Cash Flow Statement Information

Non-Cash Transactions	Nil	Nil

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Accounting Policies and Explanatory Notes
Year Ended March 31, 2022

1a Legal Status

SILVER SPARK MIDDLE EAST FZE is a company with Limited Liability pursuant to Emiri Decree No. 2 of 1995 of H.H.Sheikh Sultan Bin Mohammed Al Qassimi, The Ruler of Sharjah and Implementing Regulations issued there under by the Sharjah Airport International Free Zone Authority as per the Certificate of Incorporation No: 6015 dated September 10, 2015.

Sharjah Airport International Free Zone Authority has issued the following Licenses:

Activity	License No	Issued on
Investment of Own Financial Resources	15857	10.09.2015
General Trading	19594	16.05.2018

As per the Amended Memorandum of Association dated May 20, 2018 and as per Share Certificate No. 6015 dated May 21, 2018, the following is the Sole Shareholder of the company.

	Country	Shares	Value
Silver Spark Apparel Limited	India	109	16,350,000

Share capital of the company is AED 16,350,000/- divided into 109 share of AED 150,000/-each.

1b Business Activities

The company is licensed to Invest its Own Financial Resources. The company has invested into the manufacturing project of its step down subsidiary Silver Spark Apparel Ethiopia PLC from which the company gets its Apparel manufactured on Job Work basis.

1c Management

As per the amended Memorandum & Article of Association dated February 18, 2019, the company will be managed by the Board of Directors viz, Vipin Agarwal and Kiran Vasant Kalbag. As per the Parent's Board Resolution dated 8.2.2021 and the licences issued the Manager on the licences is Mr Abdulla Nalupurappattil Kizhekepurayil.

1d **Change in Financial Year**

The company has changed its financial year end from December to March, w.e.f January 1, 2020. Subsequently the financial year will end in March every year as per amendment to MOA dated 27.1.2021. Hence Previous Year financials are prepared for 15 months i.e. January 1, 2020 to March 31, 2021.

2 **Accounting Policies**

The company prepares its financial statements in accordance with the International Financial Reporting Standards for Small and Medium Sized Entities. Management chooses and applies its accounting policies consistently to similar transactions and events, unless otherwise stated.

a **Accounting Basis**

These financial Statements are prepared under the accrual basis of accounting. Under the accrual basis, transactions and events are recognised when they occur (and not as cash or its equivalent is received or paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate.

b **Measurement Basis**

These Financial Statements have been prepared on historical cost basis.

c **Functional / Presentation Currency**

The financial statements are prepared in UAE Dirhams, which is considered to be the company's principal trading currency.

d **Investment in Subsidiaries (equity holding of 51% or more)**

Section 9 - IFRS for SMEs - Consolidated and Separate Financial Statements

A Subsidiary is an entity controlled by the Parent company. Control is said to exist when the parent has the power to govern the financial and operating policies of the entity so as to obtain economic benefits.

A parent prepares Consolidated Financial Statements in which it consolidates its Investments in Subsidiaries in accordance with IFRS for SMEs.

When a Parent prepares Separate Financial Statements, they will account the Investment in Subsidiaries at cost less impairment or at fair value with changes in fair value recognised in the profit or loss, irrespective of whether the subsidiary is newly incorporated or acquired.

The Management has opted to account for the Investment in Subsidiaries at Cost in these Separate Financial Statements.

e **Inventory (Section 13 -IFRS for SMEs)**

Inventory have been valued at lower of cost and net realisable value. Cost of Raw material is determined by weighted average, and included all the expenses incurred in bringing the inventory to their present location and condition.

Net realisable value is the estimate of selling price in the ordinary course of business less selling expenses. At each reporting date, inventory is assessed for impairment due to damage and obsolence to recognise the impairment loss in profit or loss.

f **Trade Receivables**

Trade receivables are carried at anticipated realisable value. A provision is made for doubtful receivables based on a review of all outstanding amounts at the year-end. Bad debts are written off during the year in which they are identified.

g **Cash and Cash Equivalents**

Cash and Cash Equivalents for the purpose of cash flow statement comprises of cash, bank overdraft, bank current and call accounts, fixed deposits free from lien with a maturity date of 3 months or less from the date of deposit.

	31.3.2022	**31.3.2021**
Bank Balances	29,283	30,787
Bank Overdraft	-13,957,974	-13,056,280
	-13,928,692	-13,025,493

3 **Investment in Equity of Subsidiary**

	31.3.2022	**31.3.2021**
In Share Capital of Silver Spark Apparel Ethiopia PLC	62,858,267	62,858,267

i The Company is the beneficial owner of 100% shares. Silver Spark Apparel Ethiopia PLC was established on August 8, 2016. As per the Shareholders Resolution cum Amendment to MOA and the share certificates issued dated December 28, 2020 the paid up capital of the Subsidiary is Ethiopian Birr 466,611,600/- comprising 222,196 shares with a face value of ETB 2,100 per share.

ii The share capital was remitted by the Shareholder in US Dollars on various dates and also includes USD payments made to capex suppliers on behalf of the subsidiary on various dates.

iii The UAE Dirham is pegged to the U.S.Dollar at fixed exchange rate of 1 USD = 3.67 UAE Dirhams. For info only as at 31.3.2022, USD 1 = ETB 50.95 and AED 1 = ETB 13.869 (as at 31.3.2021, USD 1 = ETB 40.371 and AED 1 = ETB 10.989)

iv As per audited financials of the Subsidiary, its Net Profit for the year ended 31.3.2022 is ETB 25M (Previous year is ETB 17.3M) and Total Equity as at 31.3.2022 is ETB 261.4M (as at 31.3.2021 is ETB 236.4M) v The writedowns in the carrying value of the Investments due to currency devaluations is not done in these financials as the same would be recognised in the consolidated financials of the ultimate parent company.

		31.3.2022	31.3.2021
4	**Due from Subsidiary (Long term)**		
	Represents Payments made on behalf of the WOS	18,110,220	16,092,751

Note : The writedowns in the carrying value of the Dues due to currency devaluations is not done in these financials as the same would be recognised in the consolidated financials of the ultimate parent company.

5 Inventory (In Ethiopia)
(as certified, verified and valued by Management)
(Accounts are Integrated with Inventory in the ERP)

Raw Materials	13,602,395	6,784,655
Goods in Transit (Raw Materials)	1,202,606	1,059,912
Total	14,805,001	7,844,567

6 Trade Debtors

Related Parties	4,390,749	7,707,478
Others	745,074	645,076
	5,135,823	8,352,554

7 Bank Borrowings

Current Portion		
Overdraft	13,957,974	13,056,280
Import Financing (Trust Receipts)	971,731	898,594
Term Loans	15,508,964	13,546,367
	30,438,669	27,501,241
Non Current Portion		
Term Loans	5,027,900	20,469,425
	5,027,900	20,469,425

PARAG PAREKH & CO CHARTERED ACCOUNTANTS Dubai - U.A.E

Notes:

7.1 **Standard Chartered Bank, Dubai , UAE**

i Facilities are obtained to finance the manufacturing project of the Subsidiary, Silver Spark Apparel Ethiopia PLC.

ii USD 12,000,000 or AED 44,040,000/- Term Loans comprising various drawdowns has a Tenor of 5.25 to 5.5 years years including 24 months moratorium for each draw down. 30% of the loan to be paid in 3rd and 4th Year and 40% of the loan to be paid in 5th year in quarterly instalments.

iii Interest is charged at 2.50% per annum over 3 Months Libor on term loans and at 2% to 2.70% per annum over One Month Libor on Working Capital facilities.

iv Facilities are secured by Corporate Guarantee of Parent Company Silver Spark Apparel Limited, India.

v As the interest costs on term loans are to be borne by the Subsidiary for whom these loans are obtained, financial costs of these loans are NOT recognized in these financial statements. All the Interest charged by the bank are accounted as Due from Subsidiary (Long term).

vi However Interest on Overdraft and Import Financing (Trust Receipts) is accounted in these books as an expense.

8 Trade Creditors

Related Parties	20,779,039	13,806,933
Others	3,069,845	1,549,423
Total	23,848,884	15,356,356

9 Cost of sales	**31.3.2022**	**31.3.2021**
Raw Materials Consumed	32,459,147	23,091,951
Job Work Charges & Other Direct Expenses	21,833,188	15,681,456
Trading Cost of sales	0	560,815
	54,292,335	39,334,222

10 Related Parties

The concern in the normal course of business enters into transactions with other business enterprises that fall within the definition of Related Party contained in the IFRS for SMEs section 33. The concern believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties.

Transactions and Balances with Related Parties:

i	**Silver Spark Apparel Ltd, India (Parent Co)**		**31.3.2022**	**31.3.2021**
	Loan from Related Party -Interest Bearing (Note)	Confirmed	15,333,800	15,333,800

Note:

a *As per loan agreements and their amendments, the term loans are denominated in* ***Indian rupees and*** *repayable in 1 year.*

b *Interest is payable every quarter and will be charged @* ***8.75%*** *per annum on respective loans +2% on late payment.*

	Trade Debtors	Confirmed	4,390,749	4,030,200
	Trade Creditors for Expenses and Interest Payable	Confirmed	3,461,130	3,942,943
	Sales		8,723,331	12,397,794
	Interest Cost		1,500,865	1,575,988
	Guarantee Commission Expense		156,468	246,401
	Guarantee Commission Prepaid Expense		403,256	559,723
	Share Capital	Confirmed	16,350,000	16,350,000
	Additional Capital	Confirmed	1,093,181	1,093,181
ii	**Raymond Limited, India**			
	Trade Creditors	Confirmed	14,274,378	8,204,819
	Goods in Transit (Asset)		1,202,606	1,059,912
	Purchase		15,575,255	7,606,845
iii	**Raymond America (RA Logistics Inc.), USA**			
	Trade Debtors		0	3,677,278
	Advance From Debtors	Confirmed	8,587,830	0
	Sales		47,481,970	24,156,317
	Claims & Compensation (under Admin Expense)		6,569	495,470
iv	**Silver Spark Apparel Ethiopia PLC**			
	Investments in Equity	Confirmed	62,858,267	62,858,267
	Due from Subsidiary (Long Term)	Confirmed	18,110,220	16,092,751
	Trade Creditors	Confirmed	3,043,531	1,659,170
	Job Work Charges		18,966,171	14,381,585
	Sales Trading		0	554,928

PARAG PAREKH & CO CHARTERED ACCOUNTANTS Dubai - U.A.E.

11 Foreign Currency Translation (Section 30 - IFRS for SMEs)

a Foreign currency transactions are converted into U.A.E. Dirham's at the closing rate of exchange of the date of the transaction.

b Foreign currency balances outstanding as on Statement of Financial Position date are reinstated into U.A.E. Dirham's at the rate of exchange prevailing on Statement of Financial Position date .

c Foreign currency loss or gains arising are accounted to the Income Statement.

d All Foreign Currency Related Party Balances are carried in UAE Dirhams only in these standalone Financial Statements as exchange gains and losses would be recognized in consolidated financial statements of the ultimate parent company in India.

12 Financial Instruments (Section 11, 12 - IFRS for SMEs)

Financial Instruments means financial assets, financial liabilities and equity instruments.

Financial assets include Investments, cash, trade debtors, bank balances, deposits, advances and other receivables. Financial liabilities include bank borrowings, trade creditors, provisions and accruals, advances from customers, finance lease liabilities, other payables and employee terminal benefits.

a **Fair Values**

The fair values of the concern's financial assets and financial liabilities approximate to their carrying values.

b **Credit Risk and Interest Rate Risk**

i **Credit Risk**

Financial assets, which potentially expose the company to credit risk, comprise mainly of Investments in Subsidiary, Bank Current Accounts and Trade Debtors.

The company's bank accounts are placed with high credit quality financial institutions.

Customer Risk

During the year, 95% of sales are made to 2 Related Party Customers. (Previous year - 87% sale were made to 2 Related Party Customers).

PARAG PARIKH & CO CHARTERED ACCOUNTANTS Dubai - U.A.E.

Credit Risk

As at balance sheet date, top 3 parties represents 100% of the outstanding trade debtors. (Previous year 3 customers - 100%).

Country-wise breakup of Trade Debtors in %:	**31.3.2022**	**31.3.2021**
USA	15%	52%
India	85%	48%
	100%	100%

ii **Interest Rate Risk**

The Interest rates on bank facilities are based on a fixed margin over LIBOR. The management does not foresee any significant risk due to fluctuations in LIBOR.

13 **Bank Facilities***		**Utilisation**	**Limits**
Term Loan		20,469,425	20,469,425
Bank Overdraft (Sub Limit of LC /TR)		13,957,974	18,350,000
Import Financing (Sub Limit of LC / TR)		962,550	0
Total	Confirmed	35,389,949	38,819,425

Bankers

Standard Chartered Bank, Dubai, UAE*

14 **Purchase Commitments and Contingent Liabilities**	**31.3.2022**	**31.3.2021**
Letters of Credits	415,297	1,065,047

15 **Previous Year's Figures**

Previous period's figures are re-grouped or re-arranged wherever necessary so as to confirm to the current year's presentation. Previous period's figures are presented for 15 months against current year figures of 12 months hence they are not strictly comparable.

16 The company is using SAP ERP software wherein Financial and Inventory Accounting are integrated.

17 **Significant Events Occurring After the Balance Sheet Date**

There were no significant events occurring after the balance sheet date which require disclosure in the financial statements.

18 In the opinion of the management all the assets as shown in the financial statements are existing and realisable at the amounts shown against them. There are no liabilities against the concern, contingent or otherwise, not included in the above financial statements.

Parag Parekh & Co Chartered Accountants Dubai - U.A.E.

AUDITORS' REPORT

ON

FINANCIAL STATEMENTS

OF

Raymond Lifestyle (Bangladesh) Private Limited

FOR THE YEAR ENDED JUNE 30, 2021

Independent Auditor's Report
To the Shareholders of Raymond Lifestyle (Bangladesh) Private Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Raymond Lifestyle (Bangladesh) Private Limited, which comprise the Statement of Financial Position as at 30 June 2021, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity 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.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 require the management to ensure effective internal audit, internal control and risk management functions of the company.

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 charged with governance are responsible for overseeing the financial reporting process.

Dhaka Office:
Cosmic Tower (9th Floor), 106/Ka Naya Paltan, Box Culvert Road,
Dhaka 1000, Bangladesh. **Tel:** +880 (2) 9355401, **Fax:** + 880 (2) 9355407

Chattogram Office:
Meera Bhaban (3rd Floor), 1670, Sk Mujib Road (In front of BADC Bhaban)
Goshaildanga, Agrabad C/A, Chottogram-4100.

Email: info@hbdco.org I Website :www.hbdco.org

Auditors' 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 auditors' 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 ISAs 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 ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- 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.

Hoque Bhattacharjee Das & Co. HBD Dhaka Chartered Accountants

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

(a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

(b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;

(c) the statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account and returns;

Dated: 21 September, 2021
Dhaka
DVC: 2110020824AS859083

Hoque Bhattacharjee Das & Co.
Chartered Accountants
Signed by
Avijit Bhattacharjee, FCA
Partner
Enrollment no. 824

Hoque Bhattacharjee Das & Co. ★ Chartered Accountants ★ HBD Dhaka

Raymond Lifestyle (Bangladesh) Private Limited
Statement of Financial Position
As at 30 June 2021

In Taka	Notes	30 June 2021	30 June 2020
ASSETS			
Property, plant & equipments		-	-
Non-current assets		-	-
Cash and cash equivalents	*4*	*5,027,320*	*5,034,700*
Current assets		5,027,320	5,034,700
TOTAL ASSETS		**5,027,320**	**5,034,700**
EQUITY AND LIABILITIES			
Share capital	5	5,000,000	5,000,000
Retained earnings	6	(3,824,248)	(3,481,030)
Shareholders' equity		**1,175,752**	**1,518,970**
Current Liabilities	7	3,851,568	3,515,730
Liabilities		**3,851,568**	**3,515,730**
TOTAL EQUITY AND LIABILITIES		**5,027,320**	**5,034,700**

Signed in terms of our separate report of even date annexed

...nd Lifestyle (Bangladesh) Pvt. Ltd.
Pankaj Saxena

Director Director

Raymond Lifestyle (Bangladesh) Pvt. Ltd.

Managing Director Director

Date: 21 September, 2021
Dhaka, Bangladesh
DVC: 2110020824AS859083

Hoque Bhattacharjee Das & Co.
Chartered Accountants
Signed by
Avijit Bhattacharjee, FCA
Partner
Enrollment no.: 824

Hoque Bhattacharjee Das & Co. ★ Chartered Accountants ★ HBD Dhaka

Raymond Lifestyle (Bangladesh) Private Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2021

In Taka	Notes	2020-2021	13 January 2020 to 30 June 2020
Revenue income		-	-
Less: Cost of goods sold		-	-
Gross profit/(Loss)		**-**	**-**
Administrative expenses	8	343,218	3,481,030
Net Operating profit/(Loss)		**(343,218)**	**(3,481,030)**
Other income		-	-
Net profit/(loss) before tax		**(343,218)**	**(3,481,030)**
Less: Income tax provision			-
Net profit/(loss) after tax		**(343,218)**	**(3,481,030)**

Signed in terms of our separate report of even date annexed

Raymond Lifestyle (Bangladesh) Pvt. Ltd.
Pankaj Saxena
Director Director

Raymond Lifestyle (Bangladesh) Pvt. Ltd.
Managing Director Director

Date: 21 September, 2021
Dhaka, Bangladesh
DVC: 2110020824AS859083

Hoque Bhattacharjee Das & Co.
Chartered Accountants
Signed by
Avijit Bhattacharjee, FCA
Partner
Enrollment no.: 824

Hoque Bhattacharjee Das & Co. HBD Dhaka Chartered Accountants

Raymond Lifestyle (Bangladesh) Private Limited
Statement of Changes in Equity
For the year ended 30 June 2021

In taka	Share capital	Share money deposits	Retained earnings	Total
Balance as on 30 June 2020			**(3,481,030)**	**(3,481,030)**
Share capital	5,000,000			5,000,000
Share money deposits		-		-
Net profit/Loss during the period			(343,218)	(343,218)
Balance as on 30 June 2021	**5,000,000**	**-**	**(3,824,248)**	**1,175,752**

Signed in terms of our separate report of even date annexed

Raymond Lifestyle (Bangladesh) Pvt. Ltd
Pankaj Saxena
Director
Director

Raymond Lifestyle (Bangladesh) Pvt. Ltd
Managing Director
Director

Date: 21 September, 2021
Dhaka, Bangladesh
DVC: 2110020824AS859083

Hoque Bhattacharjee Das & Co.
Chartered Accountants
Signed by
Avijit Bhattacharjee, FCA
Partner
Enrollment no.: 824

Hoque Bhattacharjee Das & Co. HBD Dhaka Chartered Accountants

Raymond Lifestyle (Bangladesh) Private Limited
Statement of Cash Flows
For the year ended 30 June 2021

In taka		2020-2021	13 January 2020 to 30 June 2020
A.	**Cash flows from operating activities**		**Taka**
	Net profit/(loss) before tax	(343,218)	(3,481,030)
	Operating gain before changes in working capital	**(343,218)**	**(3,481,030)**
	Changes in working capital		
	Increase/decrease in liabilities	335,838	3,515,730
	Increase/decrease in Other Receivable	-	-
	Tax paid during the period	-	-
	Net cash flows by operating activities	**(7,380)**	**34,700**
B.	**Cash flows from investing activities**		
	Increase in Priliminary expenses		-
	Net cash used in investing activities		-
C.	**Cash flows from financing activities**		
	Increase in capital		
	Share capital	-	5,000,000
	Net cash flows from financing activities	-	**5,000,000**
D.	**Net cash flow (A+B+C)**	**(7,380)**	**5,034,700**
	Cash and cash equivalents at beginning of the period	5,034,700	-
E.	**Cash and cash equivalents at end of the period**	**5,027,320**	**5,034,700**

These financial statements should be read in conjunction with annexed notes

Raymond Lifestyle (Bangladesh) Pvt. Ltd.
Pankaj Saxena
Director

Raymond Lifestyle (Bangladesh) Pvt. Ltd.
Director

Managing Director

Date: 21 September, 2021
Dhaka, Bangladesh
DVC: 2110020824AS859083

Hoque Bhattacharjee Das & Co. Chartered Accountants HBD Dhaka

Hoque Bhattacharjee Das & Co.
Chartered Accountants
Signed by
Avijit Bhattacharjee, FCA
Partner
Enrollment no.: 824

Raymond Lifestyle (Bangladesh) Private Limited
Notes to the Financial Statements
For the year ended 30 June 2021

1 Reporting entity

1.1 Background of the Company

Raymond Lifestyle (Bangladesh) Private Limited (herein after referred to as "the Company" or "RLPL") was incorporated as a private company under the Companies Act 1994 on January 30, 2020 bearing registration number C-159065/2020.The registered office of the company is located at Plot 3-5, 113/A, 4th Floor, Business Centre, Gulshan-2, Dhaka.

1.2 Nature of business

The principal activities of the company are to establish and to carry on business as manufacturers, importers, exporters, buyers, sellers of and merchants and dealers in and of merchandise, goods, materials, wool merchants, wool combers, worsted spinners, woollen spinners, worsted stuff, cotton spinners and doublers, flax, hemp and jute spinners linen, flax, hemp, and jute merchants, bleachers and dyers and makers of vitriol, bleaching and dyeing materials, and to purchase, comb, prepare, spin, dye, and deal in flax, hemp, jute, wool, cotton etc. The company has not started its operation until the financial reporting date.

1.3 Capital structure of the company

The authorized capital of the company is Taka 11,500,000 (One crore fifteen lac) divided into 1,150,000 ordinary shares of Taka 10 each.

The paid-up capital of the company is Taka 5,000,000 divided into 500,000 ordinary shares of Taka 10 each. Details of share capital are given in Note 5

2 Basis of Preparation

2.1 Statement of compliance

The financial statements of the company under reporting have been prepared under historical cost convention in a going concern concept and on accrual basis in accordance with the applicable International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) and other applicable laws and regulation in Bangladesh.

2.2 Presentation of financial statements

The presentation of these financial statements is in accordance with the guidelines provided by IAS: 1 'Presentation of Financial Statements'.

i. Statement of Financial Position as at 30 June, 2021;
ii. Statement of Profit or Loss and Other Comprehensive income for the period ended 30 June, 2021;
iii. Statement of Cash Flow for the period ended 30 June, 2021;
iv. Statement of Changes in Equity for the period ended 30 June, 2021;
v. Notes, Summary of Significant Accounting Policies and other Explanatory Information

2.3 Reporting period

The financial statements of the Company cover from 01 July 2020 to 30 June 2021.

Hoque Bhattacharjee Das & Co. HBD Dhaka Chartered Accountants

3 Significant Accounting Policies

3.1 Cash and Bank balances

Cash and Bank balances comprise of cash in hand and cash at bank which are held and available for use by the company without any restriction.

Pankaj Sarkar

Raymond Lifestyle (Bangladesh) Pvt. Ltd
Director

3.2 Statement of cash flows

Statement of Cash Flows is prepared principally in accordance with IAS 7 "Statement of Cash Flows" and the cash flow from the operating activities have been presented under indirect method.

3.3 Comparative information

Comparative figures and account titles in the financial statements have been rearranged/reclassified and restated where necessary to conform with changes in presentation in the current year.

3.4 Provision

In accordance with the guidelines as prescribed by IAS 37, provisions are recognized when all the following
i) When the company has a present obligation as a result of past event;
ii) When it is probable that an outflow of resources embodying economic benefit will be required to settle the
iii) Reliable estimate can be made of the amount of the obligation.

Provisions are shown in the statement of financial position at an appropriate level with regard to an adequate provision for risks and uncertainties. An amount recorded as a provision represents the best estimate of the probable expenditure required to fulfill the current obligation on the reporting date.

3.5 Taxation

i) Current tax

Current income tax is recognized in pursuant to provisions of Income Tax Ordinance 1984 and the relevant Finance Act 2021. The Branch does not expect any current tax payable during the period and hence no tax

ii) Deferred tax

No deferred tax was accounted for in these financial statements due to the fact that no temporary difference arises between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

3.6 Functional and Presentational Currency

These financial statements are presented in Bangladesh Taka (Taka/BDT) which is the Company's functional currency. All amounts have been rounded to the nearest Taka, unless otherwise indicated.

3.7 Leases

Company's lease asset classes primarily consist of leases for office space.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients defined in para 6, C9(a)/C10(c) of IFRS 16, instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

3.8 Contingent Liabilities and Assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not wholly within the control of the Company. In accordance with IAS-37 Provisions, Contingent Liabilities and Contingent Assets are disclosed in the Notes to the financial statements. There is no known Contingent Liability or Asset on the Balance Sheet date.

3.9 General

i. Figures appearing in these financial statements have been rounded off to the nearest Taka.

Raymond Lifestyle (Bangladesh) Pvt. Ltd.
Pankaj Saxena
Director

Hoque Bhattacharjee Das & Co. HBD Dhaka Chartered Accountants

4 Cash and cash equivalents

Taka	30 June 2021	30 June 2020
Cash at Bank (SCB A/C- 9793-01)	5,027,320	5,034,700
	5,027,320	**5,034,700**

5 Share Capital

5.01 Authorized Capital

Taka	30 June 2021	30 June 2020
1,150,000 Ordinary Share @ TK. 10	11,500,000	11,500,000
	11,500,000	**11,500,000**

5.02 Issued, subscribed and paid-up Capital

Taka	30 June 2021	30 June 2020
500,000 Ordinary Share @ Tk. 10	5,000,000	5,000,000
	5,000,000	**5,000,000**

A. Position of Shares holding as at 30 June 2021

Name of the Shareholders	Nature of Shareholding	Nationality	Number of share	Share value	Percentage (%)	Taka
Raymond Limited	Company	Indian	499,999	10	99.9998%	4,999,990
Mr. Pankaj Saxena	Individual	Indian	1	10	0.00020%	10
			500,000		100%	5,000,000

6 Retained Earning

Taka	30 June 2021	30 June 2020
Opning Balance	(3,481,030)	-
Add: Profit/(loss) during the year	(343,218)	(3,481,030)
	(3,824,248)	**(3,481,030)**

7 Current Liabilities

Taka	30 June 2021	30 June 2020
Payable to Relience Trade International	3,024,737	2,829,737
Payable to Khyrul Kabir	151,005	137,470
Payable to Raymond Limited (7.01)	37,010	37,010
Payable for withholding tax & VAT	488,816	436,513
Provision for Audit fee	150,000	75,000
	3,851,568	**3,515,730**

7.01 This amount was received from Raymond International in excess of share capital.

8 Expenses

Taka	1 July 2020 to 30 June	13 January 2020 to 30
Rent	236,053	2,445,263
Audit fee	86,250	86,250
Maintenance	-	50,000
Registration fee	13,535	137,470
Bank charge	7,380	2,300
Postage & courier	-	281,084
Printing & stationery	-	24,750
Miscellaneous expenses	-	453,913
	343,218	**3,481,030**

Raymond Lifestyle (Bangladesh) Pvt. Ltd.
Pankaj Saxena
Director

Hoque Bhattacharjee Das & Co. ★ Chartered Accountants ★ HOD Dhaka