Raymond LIMITED

REPORTS AND ACCOUNTS OF SUBSIDIARY COMPANIES 2020-21

CELEBRATIONS APPAREL LIMITED

ANNUAL REPORT 2020-21

BOARD OF DIRECTORS	:	SHRI M.L. BAPNA SHRI VISHAL BIST SHRI VIJAY PATIL
STATUTORY AUDITORS	:	MESSERS. CHATURVEDI AND SHAH, CHARTERED ACCOUNTANTS
INTERNAL AUDITORS	:	MESSERS. MAHAJAN & AIBARA, CHARTERED ACCOUNTANTS LLP
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 Seventeenth Annual Report together with the Audited Financial Statements for the year ended March 31, 2021.

1. FINANCIAL SUMMARY & HIGHLIGHTS OF PERFORMANCE

The Gross Revenue of the company for FY 2021 stood at Rs. 0.40 crore (Previous Year: Rs. 72.37 crore). The company earned a Profit after tax of Rs. 0.37 crore (Previous Year: Loss of Rs. 2.35 crore).

2. DIVIDEND

In order to conserve resources, 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 its Annual General Meeting dated June 05, 2017 for a period of five years.

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, 2021 was Rs 2.71 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, 2021, 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

Shri M. L. Bapna was appointed as Additional Director designated as Non-Executive Director of the Company with effect from January 14, 2020. His appointment was regularized by the shareholders at their Annual General Meeting held on July 16, 2020.

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

During the year, four Board Meetings were held viz. June 23, 2020, September 11, 2020, November 7, 2020, and February 3, 2021.

Sr. No.	Name of Director	Date of Board Meeting			
		June 23, 2020	Sept. 11, 2020	Nov. 7, 2020	Feb. 3, 2021
1	Shri Vishal Bist	✓	✓	✓	✓
2	Shri Vijay Patil	✓	✓	✓	✓
3	Shri M L Bapna	✓	✓	✓	✓

10. 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.

11. 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.

12. 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.

13. 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.

14. ANNUAL RETURN

The draft Annual Return for FY20-21 has been placed on www.raymond.in.

15. 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 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 SEXUAL HARASSMENT ACT

Since the company does not have any employees, this disclosure under the above act is not applicable.

19. SECRETARIAL STANDARDS

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

20. 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.

21. 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.

22. 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)**
April 30, 2021	**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, 2021 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, 2021 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.

Emphasis of Matter

We draw your attention to Note No 32 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, 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 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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, 2021

b. The Company has no long term contracts including derivative contracts outstanding as on March 31, 2021.

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

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

Sd/-

Lalit R. Mhalsekar
Partner
Membership No.103418

UDIN: 21103418AAAADK2374

Place: Mumbai
Date: April 30, 2021

Annexure A to Independent Auditor's Report – March 31, 2021

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, 2021, we report the following:

i. There are no fixed assets in the Company, accordingly Paragraph 3(i) of the Order is not applicable to the Company.

ii. There is no inventory in the books of accounts of the Company, accordingly Paragraph 3(ii) of the Order is not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly paragraphs 3(iii) of the Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investment, or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Therefore, paragraph 3(iv) of the order 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 in accordance with relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, Paragraph 3(v) of the Order is not applicable to the Company.

vi. The Central Government of India has not specified the maintenance of cost record 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 on the basis of our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Goods and Service Tax (GST) , Customs Duty, Value Added Tax (VAT), Entry Tax, Income Tax, Wealth Tax, Cess, and other material statutory dues applicable to the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Goods and Service Tax (GST), Customs Duty, Value Added Tax, Entry Tax (VAT), Income Tax, Wealth Tax, and Cess were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no dues of Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Goods and Service Tax (GST), Customs Duty, Value Added Tax (VAT), Entry Tax, Income Tax, Wealth Tax, and Cess which have not been deposited on account of dispute.

viii. 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 borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. 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, Paragraph 3(ix) of the Order is not applicable to the Company.

x. 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.

xi. The Company has not paid/provided for managerial remuneration during the year. Accordingly, Paragraph 3(xi) of the Order is not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company; accordingly, paragraph (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, Paragraph 3(xiii) of the Order is not applicable to the Company.

xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

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. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

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

Sd/-
Lalit R. Mhalsekar
Partner
Membership No.103418

UDIN: 21103418AAAADK2374

Place: Mumbai
Date: April 30, 2021

Annexure B to Independent Auditor's Report – March 31, 2021 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")

1. We have audited the internal financial controls with reference to standalone financial statement of Celebrations Apparel Limited ('the Company') as of March 31, 2021 in conjunction with our audit of the Ind AS 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 internal financial controls with reference to standalone financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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 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 Companies Act, 2013, to the extent 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 these standalone financial statement was established and maintained and if such controls operated effectively in all material respects.

4. An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statement and their operating effectiveness. Our audit of internal financial controls with reference to these standalone financial statement 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 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 these financial statement .

Meaning of Internal Financial Controls with reference to these standalone financial statement

6. A company's internal financial control over financial reporting with reference to these standalone financial statement 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 these standalone financial statement 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

7. 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 standalone financial statement 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

8. In our opinion, the Company has, in all material respects, 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, 2021, 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
Partner
Membership No.103418

UDIN: 21103418AAAADK2374

Place: Mumbai
Date: April 30, 2021

Celebrations Apparel Limited

Statement of Assets & Liabilities as on 31st March, 2021

(Rs. in Lakhs)

		Note	Audited As at 31st March, 2021	Audited As at 31st March, 2020
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Property, Plant and Equipment		-	-
	(b) Investment Property	2	415.37	436.17
	(c) Assets For Income Tax (Net)		44.04	23.32
2	**Current assets**			
	(a) Inventories	3	-	24.95
	(b) Financial Assets			
	(i) Trade receivables	4	83.80	1,014.14
	(ii) Cash and cash equivalents	5	8.55	96.43
	(c) Other current assets	6	0.64	-
	TOTAL ASSETS		**552.40**	**1,595.01**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	7A	271.00	271.00
	b) Other equity	7B	168.23	131.45
2	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	8	-	42.75
	(ii) Trade payables	9		
	a)Total outstanding dues of micro and small enterprises		-	-
	b)Total outstanding dues of other than micro and small enterprises		61.46	1,097.39
	(iii) Other financial liabilities	10	51.70	51.61
	(b) Other current liabilities	11	0.01	0.81
	(c) Provisions	12	-	-
	TOTAL EQUITY AND LIABILITIES		**552.40**	**1,595.01**

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
Sd/-
Mithulal Bapna
Director
DIN : 06383502

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number: 103418
Date :- 30th April 2021
Place: Mumbai

Sd/-
Vijay Patil
Director
DIN : 07173161

Celeberations Apparel Limited

Statement of Profit and Loss for the year ended 31st March 2021 (Rs. in Lakhs)

		Note	Audited Year ended 31st March 2021	Audited Year ended 31st March 2020
I	Revenue from Operations	13	40.40	7,236.94
	Other Income	14	111.51	52.40
	Total Income		**151.91**	**7,289.34**
II	**EXPENSES**			
	Cost of materials consumed	15	43.27	5,004.39
	Changes in inventories	16	-	(177.20)
	Employee benefits expense	17	3.17	1,272.44
	Finance costs	18	-	132.67
	Depreciation and amortization expense	19	20.80	75.99
	Loss on Slump sale		-	564.09
	Other expense	20		
	A) Manufacturing and Operating Costs		-	218.57
	B) Other expenses		38.49	525.29
	Total Expenses		**105.73**	**7,616.24**
III	**Profit / (loss) before tax**		**46.18**	**(326.90)**
IV	**Tax expense**	21		
	Current tax/MAT tax		9.40	8.67
	MAT tax credit availed		-	-
	Deferred tax charge/(credit)		-	(100.24)
V	**Profit/(Loss) for the year (III-IV)**		**36.78**	**(235.33)**
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans Gain/(Loss)	24	-	(3.43)
	Tax effect of above - Gain/(Loss)		-	0.95
	Reversal of Deferred Tax Liability on Remeasurements of net defined benefit plans		-	11.53
VII	**Total Comprehensive Income for the year (V+VI)**		**36.78**	**(226.28)**
	Earnings per equity share of Rs. 10 each :			
	Basic(In Rs.)	34	1.36	(8.68)
	Diluted(In Rs.)	34	1.36	(8.68)
	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

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number: 103418
Date :- 30th April 2021
Place: Mumbai

For and on behalf of the Board of Directors

Sd/-
Mithulal Bapna
Director
DIN : 06383502

Sd/-
Vijay Patil
Director
DIN : 07173161

Celeberations Apparel Limited

Cash Flow Statement for the year ended 31st March 2021

	Year ended 31st March 2021	Year ended 31st March, 2020
A. Cash flow arising from Operating Activities		
Profit before exceptional items & tax from continuing operations	**46.18**	**(326.90)**
Adjustments for:		
Interest Income	-	(3.41)
Provision for Doubtful debts	-	-
Provision no longer required/ Credit balances written back	-	(8.06)
Other Comprehensive Income	-	(3.43)
Loss on Slump sale	-	563.95
Depreciation and amortisation	20.80	75.99
Government Grant Amortised	-	(6.67)
Finance Costs	-	132.67
	20.80	**751.04**
Operating cash before Working Capital changes	**66.98**	**424.14**
Changes in working capital		
(Increase)/Decrease in Inventories	24.95	(217.18)
(Increase)/Decrease in Trade receivables	930.34	(768.88)
(Increase)/Decrease in Short term loans and advances	-	-
(Increase)/Decrease in Other current assets and financial assets	(0.64)	267.81
(Increase)/Decrease Bank Balances other than Cash and cash equivalents	-	(42.26)
(Increase)/Decrease in Other Non Current Asset		(16.20)
Increase/(Decrease) in Trade payables	(1,035.94)	1,898.16
Increase/(Decrease) in Other current financial liabilities	0.10	(10.54)
Increase/(Decrease) in Other liabilities	(0.80)	1.55
Increase/(Decrease) in Short term provisions	-	30.53
	(81.99)	**1,142.99**
Increase/(decrease) in liability in current tax	(30.12)	(36.47)
Net Cash inflow / (outflow) in the course of Operating activities (A)	**(45.13)**	**1,530.66**
CASH FLOW FROM INVESTING ACTIVITIES:		
Inflow/(Outflow)		
Interest Income	-	3.41
(Purchase)/Sale of fixed assets	0.00	(27.38)
Sale Consideration on slump sale of business		5.00
Net Cash outflow in the course of Investing activities (B)	**0.00**	**(18.97)**
C. Cash flow from Financing Activities		
Inflow/(Outflow)		
Loan repaid to Banks	(42.75)	(1,227.07)
Loan from the Holding Company taken	-	(64.75)
Finance costs	-	(137.80)
Net cash inflow / (outflow) in the course of Financing activities (C)	**(42.75)**	**(1,429.62)**
Net Decrease in Cash and Cash equivalents (A+B+C)	(87.88)	82.06
Add: Balance at the beginning of the year	96.43	14.37
Cash and Cash equivalents (Refer Note: 5) at the close of the year	**8.55**	**96.43**

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, 2021	Opening Balance	Cash Flow (Repayments)/ Additions	Closing Balance
Long-term external borrowings	-	-	-

Year ended 31st March, 2020	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow (Repayments)/ Additions	Closing Balance
Long-term external borrowings	1,142.89	(966.33)	(176.56)	-

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	-	-	-	-

Year ended 31st March, 2020	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow Repayments	Closing Balance
Interest accrued on long term external borrowings	5.13	74.17	(79.30)	-

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

Sd/-
Mithulal Bapna
Director
DIN : 06383502

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number: 103418
Date :- 30th April 2021
Place: Mumbai

Sd/-
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 2019	7A	271.00
As at 31 March 2020		271.00
As at 31st March 2021		271.00

B. Other Equity **(Rs. In Lakhs)**

	Note	Reserves & Surplus (Retained Earnings)
Balance As at 31st March, 2019		**357.73**
Profit for the year	7B	(235.33)
Other Comprehensive Income for the year (Remeasurement of Net Defined Benefit Plans)		9.05
Total Comprehensive Income for the year		(226.28)
Balance As at 31st March, 2020		**131.45**
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**

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

Sd/-
Mithulal Bapna
Director
DIN : 06383502

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number: 103418
Date :- 30th April 2021
Place: Mumbai

Sd/-
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 manufacturing and trading of shirts. It has its network of operations in local as well foreign market. The company was carrying on manufacturing activities till 30th November 2019 (Refer note 31). 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 standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

(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), 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.

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 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.

(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.

(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 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.

(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 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.

(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

<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 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.

(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 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:

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 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 32)

2 Property, Plant and Equipment

(Rs. in lakhs)

	Freehold Land	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Computers	Office equipment	Total	CWIP
Gross carrying amount									
Balance As at 31st March, 2019	**58.66**	**469.89**	**1,200.38**	**24.29**	**23.83**	**53.04**	**13.83**	**1,843.92**	**-**
Additions	-	11.57	-	3.37	-	4.50	-	19.44	38.88
Transferred of Assets under Slump Sale	-	-	1,200.38	27.66	23.83	57.54	13.83	1,323.24	38.88
Transferred of Assets to Investment Property	58.66	481.46	-	-	-	-	-	540.12	
Balance As at 31st March, 2020	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Additions								-	
Disposals								-	
Balance As at 31st March, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Accumulated Depreciation									
Balance As at 31st March, 2019	-	**83.20**	**291.60**	**16.16**	**17.53**	**38.05**	**8.08**	**454.62**	
Charge for the year		13.80	47.23	1.63	1.42	4.46	0.50	69.04	
Transferred of Assets under Slump Sale	-	-	338.83	17.79	18.94	42.51	8.58	426.66	
Transferred of Assets to Investment Property	-	97.00	-	-	-	-	-	97.00	
Balance As at 31st March, 2020	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-	-	
Disposals								-	
Balance As at 31st March, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Carrying Amount									
Balance As at 31st March, 2020	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
Balance As at 31st March, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Note :

(a) The Company had intangible assets amounting to Rs 17.55 lakhs which was fully amortised upto the Financial Year ending 31st March 2009.

(b) Refer to Note (23) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(c) Refer to Note (28) For information on property, plant and equipment pledged as security by the Company.

Celebrations Apparel Limited
Notes to the financial statements

2B Investment Property

(Rs. in lakhs)

	Freehold Land	Buildings	Total
Gross carrying amount			
Balance As at 31st March, 2019	-	-	-
Transfer from Property, Plant and Equipment	58.66	481.46	540.12
Disposals	-	-	-
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**
Accumulated Depreciation			
Balance As at 31st March, 2019	-	-	-
Transfer from Property, Plant and Equipment	-	97.00	97.00
Charge for the period	-	6.95	6.95
Disposals	-	-	-
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**
Net Carrying Amount			
Balance As at 31st March, 2020	58.66	377.51	436.17
Balance As at 31st March, 2021	**58.66**	**356.71**	**415.37**

Note :

(a) Fair value of Investment Properties Land is Rs. 2179.30 Lacs (approx.) and Building Rs. 658.32 (approx.) - Total Rs. 2837.62 Lacs (approx.) as at 31st March 2021.

(b) Amount recognized in the statement of profit and loss:

(Rs. in lakhs)

Rental Income	102.69
Operating expense for property	-

3 Inventories

	As at 31st March, 2021	As at 31st March, 2020
Raw Materials (including Packing Material)	-	-
Raw material in transit	-	-
Work-in-progress	-	-
Finished goods (Manufactured & Trading Goods)	-	-
Stock in trade	-	24.95
Stores and Spares	-	-
Accumulated cost on Conversion Contracts		
Completed	-	-
In Process	-	-
Total	**-**	**24.95**

4 Trade receivables

	As at 31st March, 2021	As at 31st March, 2020
Trade receivables(Refer Note 33)	-	1,014.14
Receivables from related parties (Refer Note 25)	83.80	-
Less: Allowance for bad and doubtful debts	-	-
Total	**83.80**	**1,014.14**

The movement in Allowance for bad and doubtful debts is as follows:

	As at 31st March, 2021	As at 31st March, 2020
Balance as at beginning of the year	-	
Provision written back during the year		
Allowance for bad and doubtful debts during the year		
Trade receivables written off during the year		
Balance as at the end of the year	**-**	

Refer note 27 for information about market risk and credit risk of trade receivables.

Celebrations Apparel Limited
Notes to the financial statements

5 Cash and cash equivalents

	As at 31st March, 2021	As at 31st March, 2020
Balances with Banks		
In current accounts	8.55	96.43
Total	**8.55**	**96.43**

6 Other current assets

	As at 31st March, 2021	As at 31st March, 2020
Balance with Government Authorities	0.64	-
Total	**0.64**	**-**

7A Equity Share capital **(Rs. In Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Authorised		
50,000,000 [31st March, 2020: 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, 2020: 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, 2021		As at 31st March, 2020	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	2,710,000	271.00	2,710,000	271.00
Balance as at the end of the year	**2,710,000**	**271.00**	**2,710,000**	**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, 2021	As at 31st March, 2020
Raymond Ltd.(along with Nominees)	2,710,000	2,710,000

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

	As at 31st March, 2021		As at 31st March, 2020	
	%	No. of Shares	%	No. of Shares
Raymond Ltd.	100	2,710,000	100	2,710,000

Celebrations Apparel Limited
Notes to the financial statements

7B. Other Equity **(Rs. In Lakhs)**

	Reserves & Surplus (Retained Earnings)
Balance As at 31st March, 2019	**357.73**
Profit for the year	(235.33)
Net Defined Benefit Plans)	9.05
Total Comprehensive Income for the year	(226.28)
Balance As at 31st March, 2020	**131.45**
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**

8 Current Borrowings

	As at 31st March, 2021	As at 31st March, 2020
Secured		
(a) Loans repayable on demand from banks	-	42.75
(Secured against hypotheciation of Inventory and Receivables)		
Total	**-**	**42.75**

Loan was repaid during the year
For liquidity refer to note No. 27 Financial Risk Management.

9 Trade payables

	As at 31st March, 2021	As at 31st March, 2020
Trade payables*		
Amount payable to related parties [Refer note 25]	52.25	819.09
Others(Refer Note 33)	9.21	278.30
Total	**61.46**	**1,097.39**

*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.

Refer note 25 for information about liquidity risk and market risk of trade payables.

10 Other financial liabilities

	As at 31st March, 2021	As at 31st March, 2020
(a) Salary and Wages payable	0.37	0.26
(b) Security Deposits received	51.33	51.35
Total	**51.70**	**51.61**

11 Other Current liabilities

	As at 31st March, 2021	As at 31st March, 2020
Statutory dues	0.01	0.81
Total	**0.01**	**0.81**

12 Provisions

	As at 31st March, 2021	As at 31st March, 2020
Provision for Gratuity [Refer Note 24]	-	-
Total	**-**	**-**

13 **Revenue from Operations**

	Year ended 31st March 2021	Year ended 31st March 2020
Sale of Products		
(Manufactured & Traded Goods)	40.40	6,947.71
Sales of Services		
(i) Job Work	-	164.00
Other operating revenue		
(i) Export Incentives, etc	-	122.08
(ii) Process waste sale	-	3.15
Total	**40.40**	**7,236.94**

There is no impact on accont of application of IND- AS 115 Revenue from Contracts with Customers.

14 **Other income**

	Year ended 31st March 2021	Year ended 31st March 2020
Interest income	-	3.41
Exchange Fluctuation Gain (Net)	1.06	-
Rent Income	102.69	34.23
Other non-operating income	7.76	0.03
Provision no longer required/ Credit balances written back	-	8.06
Deferred Income from Government grant	-	6.67
Total	**111.51**	**52.40**

15 **Cost of materials consumed**

	Year ended 31st March 2021	Year ended 31st March 2020
Raw materials & Trading Goods consumed		
Opening Stock	-	480.23
Purchases	43.27	4,524.16
Less : Closing Stock	-	-
(# Includes cost of packing material consumed during the year)		
Total	**43.27**	**5,004.39**

16 **Changes in inventories of finished goods (including stock in trade), work-in-progress and accumulated cost of conversions**

	Year ended 31st March 2021	Year ended 31st March 2020
Opening inventories		
Finished goods	-	492.47
Work-in-progress	-	-
Stock-in-trade	-	35.50
Accumulated cost of conversion contracts		
Completed	-	5.95
In Process	-	-
	-	**533.92**
Closing inventories		
Finished goods (Manufacturing goods)	-	-
Stock-in-trade	-	-
Work-in-progress	-	-
Accumulated cost of conversion contracts		
Completed	-	-
In Process	-	-
	-	**-**
Less: Sale of Finished goods under slump sale	-	(711.12)
Total	**-**	**(177.20)**

17 **Employee benefits expense**

	Year ended 31st March 2021	Year ended 31st March 2020
Salaries and wages	2.95	1,056.23
Contribution to provident funds and other funds	0.19	79.78
Defined benefit plan expense (Refer note 24)	-	29.78
Workmen and Staff welfare expenses	0.03	106.65
Total	**3.17**	**1,272.44**

18 **Finance costs**

	Year ended 31st March 2021	Year ended 31st March 2020
Interest expense on Term Loans & ICD (Net of interest subsidy under TUF scheme Rs Nil (Previous Year Rs Nil)	-	79.30
Interest on short term borrowings	-	53.37
Total	**-**	**132.67**

19 Depreciation and amortization expense

	Year ended 31st March 2021	Year ended 31st March 2020
Depreciation on Investment Property/Property, Plant and Equipment (Refer note 2A and 2B)	20.80	75.99
Total	**20.80**	**75.99**

20 Other expense

A) Manufacturing and Operating Costs

	Year ended 31st March 2021	Year ended 31st March 2020
Consumption of stores and spare parts	-	71.55
Power and fuel	-	74.36
Job work charges	-	61.59
Repairs to buildings	-	2.75
Repairs to machinery	-	8.32
Total	**-**	**218.57**

B) Other expenses

	Year ended 31st March 2021	Year ended 31st March 2020
Rent	-	0.17
Insurance	10.88	13.05
Repairs & Maintainence Others	-	10.40
Rates and Taxes	-	5.78
Commission to selling agents	-	164.51
Freight, Octroi, etc	4.65	48.22
Legal and Professional Expenses	16.34	21.66
Travelling & Conveyance	-	5.89
Exchange Fluctuation - Others	-	32.63
IT Outsourcing Expenses	-	2.20
Security Charges	-	15.66
Corporate facility charges	-	63.84
Miscellaneous Expenses	6.62	141.28
Total	**38.49**	**525.29**

Details of Payment to Auditor (included in Legal and Professional Expenses)

	Year ended 31st March 2021	Year ended 31st March 2020
Audit Fees	3.00	3.75
Other Services	2.00	0
Total	**5.00**	**3.75**

21 Income taxes

Tax expense recognised in the Statement of Profit and Loss (Rs in lakhs)

	Year ended 31st March, 2021	Year ended 31st March, 2020
Current tax		
Current year	9.40	8.67
MAT credit entitlement	-	-
Total current tax	**9.40**	**8.67**
Deferred tax		
Origination and reversal of temporary difference	-	(100.24)
Change in tax rates		
Total deferred income tax expense/(credit)	**-**	**(100.24)**
Total income tax expense/(credit)	**9.40**	**(91.57)**

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, 2021	Year ended 31st March, 2020
Reconciliation of effective tax rate		
Profit Before Tax	46.18	(326.90)
Enacted income tax rate in India	25.17%	27.82%
Tax Amount	11.62	(90.93)
Differences due to:		
Expenses not deductible for tax purpose	(2.22)	(0.64)
Total	**9.40**	**(91.57)**
Effective tax rate	**20.36%**	**28.01%**

The effective tax rate was 22.33.% (2019-20: -28.01%).

The movement in deferred tax assets and liabilities during the year ended March 31, 2020 and March 31, 2021:

(Rs in lakhs)

Movement	As at 31st March, 2019	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2020	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2021
Deferred tax assets/(liabilities)							
Provision for post retirement benefits and other employee benefits: Gratuity	86.21	(87.16)	0.95	-		-	-
Previous year adjustment in current year for retirement benefit provisons	(26.13)	26.13	-	-		-	-
Provision for doubtful debts and advances	-	-	-	-		-	-
Depreciation	(201.63)	201.63	-	-		-	-
Unabsorbed tax depreciation	40.36	(40.36)	-	-		-	-
Fair value gains/losses	(11.53)	-	11.53	-			-
				-			-
Total	(112.72)	100.24	12.48	-	-	-	-

Celebrations Apparel Limited
Notes to the financial statements

22 Contingent liabilities/Contigent Assets

The company has no contingent liabilities/contingent assets as at end of the year.

23 Commitments

a) Capital Commitments

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

(Rs. in lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Property, plant and equipment	-	-
Less: Capital advances	-	-
Net Capital commitments	-	-

(Rs. in lakhs)

	As at 31st March, 2021	As at 31st March, 2020
b) Other Commitments		
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):		
(i) Raw Materials		-
(ii) Capital Goods		-
Total Other Commitments	-	-

Celebrations Apparel Limited
Notes to the financial statements

24 Post retirement benefit plans

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 2020: Rs.79.78 Lakhs).

Defined Benefit Plan

As per Actuarial Valuation as on 31st March, 2021 and 2020 and recognised in the financial statements in respect of Employee Benefit Schemes (Gratutity):

A. Balance Sheet **(Rs. In Lakhs)**

	Defined benefit plans	
	As at 31st March, 2020	**As at 31st March, 2020**
Present value of plan liabilities	-	-
Fair value of plan assets	-	-
Plan liability net of plan assets	**-**	**-**

B. Movements in plan assets and plan liabilities **(Rs. In Lakhs)**

	Year ended 31st March, 2021			Year ended 31st March, 2020		
	Plan Assets	**Plan liabilities**	**Total**	**Plan Assets**	**Plan liabilities**	**Total**
As at 1st April 2019	-	-	-	84.68	128.94	(44.26)
Current service cost	-		-	-	27.52	(27.52)
Employee contributions	-	-	-	-	-	-
Return on plan assets excluding amounts included in net		-	-	(0.68)	-	(0.68)
finance income/cost	-	-	-	-	-	-
Interest cost	-		-	-	6.59	(6.59)
Interest income		-	-	4.33	-	4.33
Acturial (gain)/loss arising from changes in financial assumptions	-		-	-	10.29	(10.29)
Actuarial (gain)/loss arising from experience adjustments	-		-	-	(7.54)	7.54
Employer contributions		-	-	(5.11)	-	(5.11)
Benefit payments			-	(12.74)	(12.74)	-
As at 30th November 2019	**-**	**-**	**-**	**70.49**	**153.06**	**(82.57)**
Employee benefit balance transferred to SSAL*				(70.49)	(153.06)	82.57
As at 31st March 2020	**-**	**-**	**-**	**-**	**-**	**-**

The weighted average duration of the defined benefit plans is Nil years (2019-20 : Nil)

C. Statement of Profit and Loss **(Rs. in lakhs)**

	Year ended 31st March, 2021	**Year ended 31st March, 2020**
Employee Benefit Expenses:		
Current service cost	-	27.52
Total	**-**	**27.52**
Finance cost/(income)	-	2.26
Net impact on the Profit / (Loss) before tax	**-**	**29.78**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	-	(0.68)
Actuarial gains/(losses) arising from changes in financial assumptions	-	(10.29)
Experience gains/(losses) arising on pension plan and other benefit plan liabilities	-	7.54
Net impact on the Other Comprehensive Income before tax	**-**	**(3.43)**

D. Assets

(Rs. In Lakhs)

	Defined benefit plans	
	As at 31st March, 2021	As at 31st March, 2020
Insurer managed funds	-	-
	-	-
Total	**-**	**-**

E. 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, 2021	As at 31st March, 2020
Financial Assumptions		
Discount rate	Nil	Nil
Salary Escalation Rate	Nil	Nil

F. Sensitivity

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

(Rs. In Lakhs)

		As at 31st March, 2021		As at 31st March, 2020	
	Change in assumption	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	-	-	(10.40)	12.09
Salary Escalation Rate	1%	-	-	11.99	(10.51)
Employee Turnover	4%	-	-	(5.06)	5.16

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 31st March, 2021 as follows:

(Rs. in lakhs)

Year ending 31 March, 2020	Defined benefit obligation	
	As at 31st March, 2021	As at 31st March, 2020
2019	-	-
2020	-	-
2021	-	-
2022	-	-
2023	-	-
2024	-	-
Sum of Years 6 To 10	-	-

25 Related Party disclosures as per Ind AS - 24

1. Relationships

a. Holding Company - Raymond Limited

b. Fellow Subsidiary Companies

Silver Spark Apparel Limited
Raymond Apparel Limited
Raymond (Europe) Limited
Dress Master Apparel Private Limited
R&A Logistics, INC
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**
Purchase		
Raymond Limited		
	(22.53)	
Raymond Apparel Limited		-
		(64.38)
Raymomd Luxury Cotton Limited		-
		(1,644.81)
Silver Spark Apparel Limited		14.54
		(994.54)
Income		
Job Work Charges		
Raymond Limited	-	
	(162.39)	
Sales		
Raymond Limited	-	
	(126.25)	
Raymond Apparel Limited		-
		(2,442.75)
Silver Spark Apparel Limited		0.01
		(165.13)
Silver Spark Apparel Ethiopia PLC		-
		(-)
Dress Master Apparel Private Limited		-
		(13.05)
Raymond (Europe) Limited		-
		(16.30)
R&A Logistics, INC		-
		(40.61)
Rent Income		
Silver Spark Apparel Limited		102.69
		(34.23)
Others	-	
Silver Spark Apparel Limited		-
		(-)
Dress Master Apparel Private Limited		-
		(0.24)
Expenses		
Interest		
Raymond Limited	-	
	(79.58)	-
Job Work Charges		
Dress Master Apparel Private Limited		-
		(-)
Others		
Raymond Limited	-	
	(73.34)	
Silver Spark Apparel Limited		-
		(396.21)

(Previous year figures are in brackets)

	31st March, 2021	31st March, 2020
Outstandings :		
Payable		
Holding Company		
Raymond Limited	21.94	1.06
Fellow Subsidiaries		
Dress Master Apparel Private Limited	-	-
Raymomd Luxury Cotton Limited	30.31	131.08
Raymond Apparel Limited	-	-
Silver Spark Apparel Limited	-	686.94
Receivable		
Holding Company		
Raymond Limited	-	-
Fellow Subsidiaries		-
Raymond (Europe) Limited	-	-
Raymond Apparel Limited	-	-
Silver Spark Apparel Limited	83.80	-
Dress Master Apparel Private Limited	-	-
R&A Logistics, INC	-	-
Loans Taken		
Holding Company		
Raymond Limited	-	-
Fellow Subsidiaries		(-)
Loans Repaid		
Holding Company		
Raymond Limited	-	
Fellow Subsidiaries	(-)	
Other Advances		
Holding Company		
Raymond Limited	-	0.00
Fellow Subsidiaries		(-)

Celebrations Apparel Limited
Notes to the financial statements

26. 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, 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	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade receivable	-	83.80	83.80	-	-	-	-	-	-	-	-	83.80	83.80
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**

(Rs. In Lakhs)

Financial Assets and Liabilities as at 31st March, 2020				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	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade receivable	-	1,014.14	1,014.14	-	-	-	-	-	-	-	-	1,014.14	1,014.14
Cash and Cash equivalents	-	96.43	96.43	-	-	-	-	-	-	-	-	96.43	96.43
Other Bank Balance	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	**1,110.57**	**1,110.57**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,110.57**	**1,110.57**
Financial Liabilities													
Borrowings	-	42.75	42.75	-	-	-	-	-	-	-	-	42.75	42.75
Other Financial Liabilities	-	51.61	51.61	-	-	-	-	-	-	-	-	51.61	51.61
Trade Payables	-	1,097.39	1,097.39	-	-	-	-	-	-	-	-	1,097.39	1,097.39
	-	**1,191.75**	**1,191.75**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,191.75**	**1,191.75**

Fair value of financial assets and liabilities measured at amortised cost -

Financial Assets and Liabilities	As at 31st March, 2021		As at 31st March, 2020	
	Carrying amount	Fair Value	arrying amou	Fair Value
Financial Assets				
Other Financial Assets	-	-	-	-
Trade receivable	8.55	8.55	1,014.14	1,014.14
Cash and Cash equivalents	-	-	96.43	96.43
Other Bank Balance	-	-	-	-
	8.55	**8.55**	**1,110.57**	**1,110.57**
Cash and Cash equivalents				
Borrowings	-	-	42.75	42.75
Other Financial Liabilities	-	-	51.61	51.61
Trade Payables	51.70	51.70	1,097.39	1,097.39
	51.70	**51.70**	**1,191.75**	**1,191.75**

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.

27 **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- 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 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, 2021**	**As at 31st March, 2020**
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)

	2020-2021	**2019-2020**
50 bp increase- decrease in profits	-	-
50 bp decrease- Increase in profits	-	-

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, 2021**		**As at 31st March, 2020**	
Forward contracts to sell USD	USD	-	USD	-

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

As at 31st March, 2021

Particulars	**GBP**	**EUR**	**USD**
Receivable	-	-	-
Payable	-	-	0.04

As at 31st March, 2020

Particulars	**GBP**	**EUR**	**USD**
Receivable	-	-	1.63
Payable	-	0.71	6.69

Foreign Currency Risk Sensitivity
A change of 1% in Foreign currency would have following Impact on profit before tax

(Rs in lacs)

	2020-2021		**2019-2020**	
	1% Increase	**1% decrease**	**1% Increase**	**1% decrease**
USD	(0.03)	0.03	(3.83)	3.83
EURO	-	-	(0.59)	0.59
GBP	-	-	-	-
Increase / (decrease) in profit or loss	**(0.03)**	**0.03**	**(4.42)**	**4.42**

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, 2021	As at 31st March, 2020
Not due	-	178.89
0-3 months	83.80	822.54
3-6 months	-	12.71
6 months to 12 months	-	-
beyond 12 months	-	-
Total	**83.80**	**1,014.14**

-

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 borrowings

As at 31st March, 2021 **(Rs in lakhs)**

	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	-	-	-	-
Short term borrowings	-	-	-	-
Total	**-**	**-**	**-**	**-**

As at 31st March, 2020

	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	-	-	-	-
Short term borrowings	42.75	-	-	42.75
Total	**42.75**	**-**	**-**	**42.75**

Maturity patterns of other Financial Liabilities

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	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**

As at 31st March, 2020

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	130.53	735.19	210.09	21.58	-	1,097.39
Other Financial liabilities (Current and Non Current)	-	51.61	-	-	-	51.61
Total	**130.53**	**786.80**	**210.09**	**21.58**	**-**	**1,149.00**

Celebrations Apparel Limited
Notes to the financial statements

28 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, 2021	As at 31st March, 2020
Immovable Assets		
Buildings	-	377.51
Total	**-**	**377.51**
Movable Assets		
Plant & equipment	-	-
Furniture & fixtures	-	-
Vehicles	-	-
Computers	-	-
Office equipment	-	-
Total	**-**	**-**
Other Assets		
Receivables	-	-
Inventories	-	-
Total	**-**	**-**
Total assets pledged as security	**-**	**377.51**

29 Segment reporting

The Company's business activity falls within a single primary business segment of manufacture of shirts. Accordingly, the Company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment".
The company has disclosed the segment information based on the location of customer.

Summary of Segment Revenue :-

Particulars	India		Rest of the world		Total	
	Current year	Previous year	**Current year**	Previous year	**Current year**	Previous year
Segment Revenue	**24.61**	2,972.98	**15.79**	4,138.73	**40.40**	7,111.71

Reporting of Customers contributing to revenue more than 10%

(Rs. in lakhs)

Name of Customer		Revenue	
		Year ended 31st March, 2021	**Year ended 31st March, 2020**
Harmont Blaine S.P.A		15.79	-

30 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.

31 Business transfer agreement

During the previous year, the Company had entered into a Business Transfer Agreement (BTA) dated December 10th, 2019, with Silver Spark Apparel Limited (Both the parties are wholly owned subsidiaries of same Holding companies i.e, Raymond Limited) for sale of garmenting business by way of slump sale on going concern basis with effect from 1st December, 2019, for a lump sum consideration of INR 5.00 Lacs. The Company had received the consideration in cash.

Accordingly, the Company has derecognised the tangible, intangible fixed asset and other assets and liabilities at book value in its books of account. The shortage of consideration received over the value of assets and liabilities was recognised as loss on sale of assets and liabilities on slump sale and debited to Profit & Loss account. The summary of assets and liabilities derecognised pursuant to the BTA, is as under:

Particulars	Rs. In lakhs
Tangible Assets	896.58
Capital Work in progress	9.91
Current Assets	3,124.80
Other Current Assets	450.48
Other Financial assets	141.36
Loan from Holding Companies	(966.33)
Other current liabilities & Provisions	(2,778.19)
Other financial liabilities	(212.59)
Other Non-current liabilities	(96.94)
Net Assets Acquired	569.09
Total Consideration	(5.00)
Loss on Sale of Assets on Slump Sale	564.09

32 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 second half of the year, the Company remains watchful of the potential impact of COVID-19 pandemic, particularly the current "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.

33 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.

34 Earnings per share

	Year ended 31st March 2021	Year ended 31st March 2020
Earnings Per Share has been computed as under:		
Profit/(Loss) for the year (Rs. in lakhs)	36.78	(235.33)
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	1.36	(8.68)
Diluted	1.36	(8.68)

As per our report of even date

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

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number: 103418
Date :- April 30, 2021
Place - Mumbai

For and on behalf of the Board of Directors

Sd/-
Mithulal Bapna
Director
DIN : 06383502

Sd/-
Vijay Patil
Director
DIN : 07173161

COLORPLUS REALTY LIMITED

ANNUAL REPORT 2020-21

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 Fourth Annual Report on the Business and Operations of the Company and the accounts for the Financial Year ended March 31, 2021.

1. FINANCIAL SUMMARY / PERFORMANCE OF THE COMPANY

During the year under review Gross Revenue of the Company for FY 2020-21 stood at NIL (Previous Year: NIL) and Company registered a loss of Rs. 15.37 Lakh (Previous Year Loss: Rs. 19.24 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 30^{th} AGM till the conclusion of 35^{th} AGM.

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, 2021 was Rs. 1.00 Crore. During the year under review, the Company has not issued any shares. As on March 31, 2021, 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 Sandip Maheshwari, 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 June 24, 2020, September 09, 2020, November 05, 2020, and February 02, 2021.

Date of Board Meeting	Name of Directors		
	Shri M.L. Bapna	Shri Vijay Deshpande	Shri Sandip Maheswari
24.06.2020	✓	✓	✓.
09.09.2020	✓	✓	✓
05.11.2020	✓	✓	✓
02.02.2021	✓	✓	✓

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 FY20-21 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, 2020 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)(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.

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

	Sd/-	**Sd/-**
	Mithu Lal Bapna	**Vijay Deshpande**
Mumbai	**Director**	**Director**
April 30, 2021	**DIN: 06383502**	**DIN: 08250378**

INDEPENDENT AUDITOR’S REPORT

To the Members of Colorplus Realty Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Colorplus Realty Limited (“the Company”), which comprise the balance sheet as at March 31, 2021, 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, 2021 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

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, 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, 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 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 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 no pending litigations as on March 2021.

b. The Company has no long-term contracts including derivative contracts as at March 31, 2021**.**

c. 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, 2021

For Chaturvedi & Shah LLP
Chartered Accountants
Firm's Registration No. - 101720W/W100355

Sd/-

Lalit R. Mhalsekar
Partner
Membership No.103418

UDIN No.: 21103418AAAAEP8289

Place: Mumbai
Date: April 30, 2021

Annexure A to Independent Auditor's Report – March 31, 2021 on the Financial Statements of Colorplus Realty Limited

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of Colorplus Realty Limited ('the Company') on the financial statements for the year ended March 31, 2021, we report the following:

1. The company did not have any fixed assets during the year ended March 31, 2021. Accordingly paragraph 3(i) of the Order is not applicable to the Company

2. The Company does not hold any inventory. Accordingly paragraph 3(ii) of the Order is not applicable to the Company.

3. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly paragraph 3(iii) of the Order is not applicable to the Company.

4. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act Accordingly paragraph 3(iv) of the Order is not applicable to the Company.

5. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from public in accordance with relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

6. The Central Government of India has not specified the maintenance of cost record under sub-section (1) of section 148 of the Act for any of the products of the Company.

7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Goods and Service Tax (GST) ,Customs Duty, Value Added Tax (VAT), Entry Tax, Income Tax, Wealth Tax and other material statutory dues applicable to the Company.

   (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Customs Duty, Value Added Tax, Entry Tax (VAT), Income Tax, Wealth Tax, and Cess were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

   (c) According to the information and explanation given to us, there are no dues of Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Goods and Service Tax (GST), Customs Duty, Value Added Tax (VAT), Entry Tax, Income Tax, Wealth Tax which have not been deposited on account of dispute.

8. As the company does not have any loans of borrowings from any financial institutions or banks or the Government, nor it has issued any debentures as at the balance sheet date. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.

9. 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, paragraph 3(ix) of the Order is not applicable to the Company.

10. 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.

11. The Company has not paid/provided managerial remuneration during the year. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.

12. 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 to the Company.

13. 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. The details of such related party transactions have been disclosed in the notes to the financial statements as required under Indian Accounting Standard (Ind AS) 24.

14. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

15. 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.

16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm's Registration No. - 101720W/W100355

Sd/-

Lalit R. Mhalsekar
Partner
Membership No: 103418

UDIN No.: 21103418AAAAEP8289

Place: Mumbai
Date: April 30, 2021

Annexure B to Independent Auditor's Report – March 31, 2021 on the Financial Statements of Colorplus 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")

1. We have audited the internal financial controls with reference to financial statement of Colorplus Realty Limited ('the Company') as of March 31, 2021 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 internal financial controls with reference to financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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 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 Companies Act, 2013, to the extent 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 these financial statement was established and maintained and if such controls operated effectively in all material respects.

4. An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these 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.

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 these financial statements.

Meaning of Internal Financial Controls with reference to these financial statements

6. 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 controls with reference to these financial statement 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

7. Because of the inherent limitations of internal financial controls with reference to these 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 statement 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

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2021, 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's Registration No. - 101720W/W100355

Sd/-

Lalit R. Mhalsekar
Partner
Membership No: 103418

UDIN No.: 21103418AAAAEP8289

Place: Mumbai
Date: April 30, 2021

Colorplus Realty Limited (Formerly Known as Color Plus Fashions Limited)
Balance Sheet as at March 31, 2021

(Rs. in lakhs, unless otherwise stated)

		Note	As at March 31, 2021	As at March 31, 2020
I	**ASSETS**			
	Current assets			
	(a) Financial Assets			
	Trade receivables	2	-	-
	(b) Other current assets	3	0.29	0.23
	TOTAL ASSETS		**0.29**	**0.23**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	4	100.00	100.00
	(b) Other equity	5	(164.30)	(148.93)
	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		59.69	45.54
	(ii) Other financial liabilities	7	3.06	1.90
	(b) Other current liabilities	8	0.15	0.50
	(c) Short term provisions	9	1.69	1.22
	TOTAL LIABILITIES		**0.29**	**0.23**

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

Sd/-

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: April 30, 2021

For and on behalf of the Board of Directors

Sd/-

Mithulal Shanar Lal Bapna
Director
DIN : 06383502
Place: Mumbai
Date: April 30, 2021

Sd/-

Vijay Deshpande
Director
DIN : 08250378
Date: April 30, 2021

Colorplus Realty Limited (Formerly Known as Color Plus Fashions Limited)
Statement of Profit and Loss for the year ended March 31, 2021

(Rs. in lakhs, unless otherwise stated)

Sr. No.	Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
I	**Income**			
	Revenue from Operations	10	-	-
	Total Income (I)		**-**	**-**
II	**Expenses**			
	Purchases of Stock-in-Trade	11	-	-
	Employee benefits expense	12	14.87	18.67
	Other expenses	13	0.50	0.57
	Total expenses (II)		**15.37**	**19.24**
III	**Loss before tax (I- II)**		**(15.37)**	**(19.24)**
IV	**Tax expense**			
	Current tax		-	-
	Deferred tax charge/(credit)		-	-
V	**Loss for the year (III-IV)**		**(15.37)**	**(19.24)**
VI	**Other Comprehensive Income**		**-**	**-**
VII	**Total Comprehensive Income for the year (V + VI)**		**(15.37)**	**(19.24)**
VIII	**Earnings per equity share of Rs. 100 each :**			
	Basic and diluted earnings per share (Rs.)	17	(15.37)	(19.24)

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

Sd/-

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: April 30, 2021

For and on behalf of the Board of Directors

Sd/-

Mithulal Shanar Lal Bapna
Director
DIN : 06383502
Place: Mumbai
Date: April 30, 2021

Sd/-

Vijay Deshpande
Director
DIN : 08250378
Date: April 30, 2021

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

(Rs. in Lakhs)

		Year ended March 31, 2021		Year ended March 31, 2020	
A	**Cash Flow from Operating Activities:**				
	Net Loss before Tax and Exceptional items as per Statement of Profit and Loss.		(15.37)		(19.24)
	Operating Profit before Working Capital changes.		**(15.37)**		**(19.24)**
	Add/(Deduct)				
	a) (Increase)/Decrease in Inventories			-	
	a) (Increase)/Decrease in Trade and Other Receivables	(0.06)		9.75	
	b) Increase/(Decrease) in Trade and Other Payable	15.43		9.49	
			15.37		19.24
	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	**For and on behalf of the Board of Directors**	
Chartered Accountants		
Firm Registration Number: 101720W/ W100355		
Sd/-	Sd/-	Sd/-
Lalit R. Mhalsekar	Mithulal Shanar Lal Bapna	Vijay Deshpande
Partner	Director	Director
Membership Number: 103418	DIN : 06383502	DIN : 08250378
Place: Mumbai	Place: Mumbai	Date: April 30, 2021
Date: April 30, 2021	Date: April 30, 2021	

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, 2020	**4**	**100.00**
Changes in equity share capital		-
Balance as at March 31, 2021		**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 March 31, 2019	**(7,233.38)**	**548.00**	**347.52**	**1,196.53**	**5,011.64**	**(129.69)**
Profit for the year					(19.24)	(19.24)
Other Comprehensive Income for the year					-	-
Total Comprehensive Income for the year	-	-	-	-	**(19.24)**	**(19.24)**
Balance as at Mar 31, 2020	**(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)**

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

Sd/-

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: April 30, 2021

For and on behalf of the Board of Directors

Sd/-

Mithulal Shanar Lal Bapna
Director
DIN : 06383502
Place: Mumbai
Date: April 30, 2021

Sd/-

Vijay Deshpande
Director
DIN : 08250378
Date: April 30, 2021

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.

(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 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

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 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.

(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.

The areas involving critical estimates or judgement are:
(I) Estimation uncertainty relating to the global health pandemic on COVID-19 - note 20

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

Note 2 - Trade receivables

(Rs. in lakhs)

	As at March 31, 2021	**As at March 31, 2020**
Considered good		
Unsecured		
Other parties	-	-
Total	**-**	**-**

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

(Rs. in lakhs)

	As at March 31, 2021	**As at March 31, 2020**
Deposits with customs, port trust, excise and other govt. authorities	0.29	0.20
Prepaid expenses	-	0.03
Total	**0.29**	**0.23**

Note 4 - Equity Share capital

(Rs. in lakhs)

	As at March 31, 2021	As at March 31, 2020
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 March 31, 2021		As at March 31, 2020	
	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 March 31, 2021	As at March 31, 2020
Equity Shares of Rs. 100 each held by:		
Equity shares [31st March, 2019: 100,000 shares] held by Raymond Apparel Limited and its nominees	1,00,000	1,00,000

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

	As at March 31, 2021		As at March 31, 2020	
	%	No. of shares	%	No. of shares
Raymond Apparel Limited and its nominees	100	1,00,000	100	1,00,000

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

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 March 31, 2019	**(7,233.38)**	**548.00**	**347.52**	**1,196.53**	**5,011.64**	**(129.69)**
Profit for the year	-	-	-	-	(19.24)	(19.24)
Other Comprehensive Income for the year	-	-	-	-	-	-
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**(19.24)**	**(19.24)**
Balance as at Mar 31, 2020	**(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)**

Note 6 - Trade payables

(Rs. in lakhs)

	As at March 31, 2021	As at March 31, 2020
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]	52.42	38.57
(ii) Others	7.27	6.97
Total	**59.69**	**45.54**

Note 7 - Other current financial liabilities

(Rs. in lakhs)

	As at March 31, 2021	As at March 31, 2020
Salary and Wages payable and other employee benefit expense	3.06	1.90
Total	**3.06**	**1.90**

Note 8 - Other current liabilities

(Rs. in lakhs)

	As at March 31, 2021	As at March 31, 2020
Statutory dues	0.15	0.50
Total	**0.15**	**0.50**

Note 9 - Short term provisions

(Rs. in lakhs)

	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits	1.69	1.22
Total	**1.69**	**1.22**

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 March 31, 2021	Year ended March 31, 2020
Sale of Products		
(i) Stock-in trade	-	-
Total	**-**	**-**

Note 11 - Purchases of Stock-in-Trade

(Rs. in Lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Purchases of Stock-in-Trade	-	-
Total	**-**	**-**

Note 12 - Employee benefits expense

(Rs. in Lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and wages	13.75	17.50
Contribution to provident funds and other funds	0.52	0.59
Defined contribution plan expense	0.33	0.32
Staff welfare expenses	0.27	0.26
Total	**14.87**	**18.67**

Note 13 - Other expenses

(Rs. in Lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Legal and Professional Expenses	-	0.07
Payment to auditors (Refer Note A below)	0.50	0.50
Total	**0.50**	**0.57**

Note A. Payment to Auditors:

(Rs. in Lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
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**

Note 14 - Related Party Disclosure as per Ind AS 24

I. Relationships	**Country of Incorporation**	**Ownership Interest March 31, 2021**	**Ownership Interest March 31, 2020**
(a) Ultimate 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

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		13.86 (15.52)				

III. Balances receivable or payable at the year end:

	31-Mar-21	31-Mar-20
Payables		
Raymond Limited	13.87	13.87
Raymond Apparel Limited	38.56	24.70
Total	52.43	38.57

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'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**

(Rs. in lakhs)

Financial Assets and Liabilities as at 31st March'2020				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	-	45.54	45.54	-	-	-	-	-	-	-	-	-	-	45.54	45.54	45.54
Other Financial Liabilities	-	1.90	1.90	-	-	-	-	-	-	-	-	-	-	1.90	1.90	1.90
	-	**47.44**	**47.44**	-	-	-	-	-	-	-	-	-	-	**47.44**	**47.44**	**47.44**

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

(Rs. in lakhs)

	As at 31st March'21		As at 31st March'20	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Trade receivable	-	-	-	-
Cash and Cash equivalents	-	-	-	-
	-	-	-	-
Financial Liabilities				
Borrowings	-	-	-	-
Trade Payables	59.69	59.69	45.54	45.54
Other Financial Liabilities	3.06	3.06	1.90	1.90
	62.75	**62.75**	**47.44**	**47.44**

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

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'21	As at 31st March'20
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'21	As at 31st March'20
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'21	As at 31st March'20
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.

<u>Maturity patterns of other Financial Liabilities</u>

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**

As at 31st March'20

(Rs. in lakhs)

	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	45.54	-	-	-	-	45.54
Other Financial liabilities (Current and Non Current)	-	1.90	-	-	-	1.90
Total	**45.54**	**1.90**	**-**	**-**	**-**	**47.44**

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 March 31, 2021	Year ended March 31, 2020
Earnings Per Share has been computed as under:		
Loss for the year after tax	(15.37)	(19.24)
Weighted average number of equity shares outstanding	1,00,000	1,00,000
Earnings Per Share (Rs.) - Basic & Diluted (Face value of Rs. 100 per share)	(15.37)	(19.24)

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 -

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, Which has impacted business activities of company. 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 statements, in relation to all financial statements captions.

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 financials statements, Which may differ from that considered as at the date of approval of these financials statements. The company is adhering to all COVID-19 guidelines for employees and customers.

As per our report of even date.

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

Sd/-

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: April 30, 2021

For and on behalf of the Board of Directors

Sd/-

Mithulal Shanar Lal Bapna
Director
DIN : 06383502
Place: Mumbai
Date: April 30, 2021

Sd/-

Vijay Deshpande
Director
DIN : 08250378
Date: April 30, 2021

EVERBLUE APPAREL LIMITED

ANNUAL REPORT 2020-21

BOARD OF DIRECTORS	:	SHRI S. K. GUPTA SHRI PRASAD THAKUR SHRI VIJAY NANA PATIL
MANAGER	:	SHRI PRASAD THAKUR
CHIEF FINANCIAL OFFICER	:	SHRI ASHOK BANSAL
COMPANY SECRETARY	:	KUM. ARUNA SUBRAMANIAN
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 First Annual Report together with the Audited Financial Statements for the Financial Year ended March 31, 2021.

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. 66.08 Crores (Previous year: Rs.98.47 crore). The Company earned a Profit after Tax of Rs. 0.53 Crores (Previous Year: Rs. 0.10 Crores).

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. Accordingly, they shall continue to be the Statutory Auditors for the Financial Year 2021-22.

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, 2021 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

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Surya Kant Gupta (DIN: 00323759), 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			
	27.06.2020	07.09.2020	03.11.2020	02.02.2021
Shri S. K. Gupta	✓	✓	✓	✓
Shri Prasad Thakur	✓	✓	✓	✓
Shri Vijay Patil	✓	✓	✓	✓

II) Key Managerial Personnel (KMP)

As on March 31, 2021, 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	Kum. Aruna Subramanian *	Company Secretary	23/01/2017

**Resigned with effect from April 21, 2021*

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, 2021, 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, 2021 and of the profit after tax 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, 2021 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

Sd/-	**Sd/-**
Vijay Patil	**Prasad Thakur**
Director	**Director**
DIN: 07173161	**DIN: 07278555**

Place: Mumbai
Date: May 04, 2021

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: Rs. 10.47 Lac in INR (Last Year :- Rs. 6.19 Lac)

For and on behalf of the Board of
EVERBLUE APPAREL LIMITED

Sd/-	**Sd/-**
Vijay Patil	**Prasad Thakur**
Director	**Director**
DIN: 07173161	**DIN: 07278555**

Place: Mumbai
Date: May 04, 2021

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 2021, 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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2021, and its profit (financial performance including other comprehensive income), 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.

Emphasis of Matter

4. We draw attention to note 38 to the accompanying financial statements, which describes the effects of uncertainties relating to COVID - 19 pandemic outbreak on the Company's operations and management's evaluation of its impact on the accompanying financial statements as at the balance sheet date, the impact of which is dependent on future developments. Our opinion is not modified in respect of this matter

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

5. The 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

6. The accompanying financial statements have been approved by the Company's Board of Directors. 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS 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.

7. 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

9. 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.

10. As part of an audit in accordance with Standards on Auditing, 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 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;

11. 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

12. 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

13. As required by the Companies (Auditor's Report) Order, 2016 ('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.

14. 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 2021 from being appointed as a director in terms of section 164(2) of the Act;

    f) We have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report as per Annexure II expressed 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 which would impact its financial position as at 31 March 2021;

        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 2021;

        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 2021;

        iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

Sd/-

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-

Adi P. Sethna
Partner
Membership No: 108840
UDIN: 21108840AAAACA7337

Place: Mumbai
Date: 04 May 2021

Annexure I to 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 2021

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant and equipment).

(b) The fixed assets (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 verification of the fixes assets (property, plant and equipment) 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 (which are included under the head 'Property, plant and equipment') are held in the name of the Company.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(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) The undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and services tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though there has been a slight delay in a few cases. 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) There are no dues in respect of income-tax, sales-tax, service tax, goods and services tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.

(viii) The Company has not defaulted in repayment of loans or borrowings to any bank during the year. The Company has no loans or borrowings payable to a financial institution or government and did not have any outstanding debentures during the year.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purpose for which the loans were obtained.

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable accounting standards. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

Annexure I to 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 2021

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Sd/-

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-

Adi P. Sethna
Partner
Membership No.: 108840

UDIN:- **21108840AAAACA7337**

Place: Mumbai
Date: 04 May 2021

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 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on 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 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 ICAI and deemed to be 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 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 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 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 2021, 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.

Sd/-

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-

Adi P. Sethna
Partner
Membership No.: 108840

UDIN: **21108840AAAACA7337**

Place: Mumbai
Date: 04 May 2021

AUDITED

BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS

(FINANCIAL STATEMENTS)

FOR THE YEAR ENDED

31 MARCH 2021

EVERBLUE APPAREL LIMITED

Everblue Apparel Limited
Balance Sheet as at 31 March 2021

	Note	As at 31 March 2021 (Rs in lakhs)	As at 31 March 2020 (Rs in lakhs)
I ASSETS			
1 **Non-current assets**			
(a) Property, plant and equipment	**2**	2,716.07	2,907.79
(b) Capital work - in - progress		-	-
(c) Intangible assets	**3**	13.24	18.02
(d) Financial assets			
(i) Other financial assets	**4**	91.97	91.59
(e) Deferred tax assets (net)	**27**	215.92	146.96
(f) Current tax asset (net)	**27**	227.53	591.62
(g) Other non - current assets	**5**	0.34	11.20
Total non-current assets		**3,265.07**	**3,767.18**
2 **Current assets**			
(a) Inventories	**6**	67.94	39.53
(b) Financial assets			
(i) Trade receivables	**7**	872.81	129.97
(ii) Cash and cash equivalents	**8**	342.48	2.64
(c) Other current assets	**9**	358.56	1,380.70
Total current assets		**1,641.79**	**1,552.84**
TOTAL ASSETS		**4,906.86**	**5,320.02**
II EQUITY AND LIABILITIES			
1 **Equity**			
a) Equity share capital	**10**	1,150.00	1,150.00
b) Other equity		121.44	4.24
Total equity		**1,271.44**	**1,154.24**
2 **Liabilities**			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	**11**	1,691.72	1,727.72
(ii) Other financial liabilities	**12**	135.98	132.66
(b) Provisions	**14**	95.63	153.97
(c) Other non current liabilities	**13**	70.08	102.92
Total non-current liabilities		**1,993.41**	**2,117.27**
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	**15**	309.34	262.35
(ii) Trade payables	**16**		
Total outstanding dues to micro enterprises and small enteprises		27.74	50.29
Total outstanding dues to creditors other than micro enterprises and small enteprises		367.04	697.66
(iii) Other financial liabilities	**17**	803.09	826.71
(b) Other current liabilities	**18**	101.10	133.74
(c) Provisions	**14**	33.70	77.76
Total current liabilities		**1,642.01**	**2,048.51**
TOTAL EQUITY AND LIABILITIES		**4,906.86**	**5,320.02**

Notes 1 to 38 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

Sd/-
Adi P. Sethna
Partner
Membership No.: 108840

Place: Mumbai
Date : 4 May 2021

For and on behalf of Board of Directors

Sd/-
Prasad Thakur
Manager and Director
DIN: 07278555

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Ashok Kumar Bansal
Chief Financial Officer

Place: Mumbai
Date : 4 May 2021

Everblue Apparel Limited
Statement of profit and loss for the year ended 31 March 2021

		Note	Year ended 31 March 2021 (Rs in lakhs)	Year ended 31 March 2020 (Rs in lakhs)
I	**Income**			
	Revenue from operations	**19**	6,607.98	9,846.62
	Other income	**20**	66.39	37.01
	Total income		**6,674.37**	**9,883.63**
II	**Expenses**			
	Change in value of contract assets	**21**	752.65	(592.54)
	Cost of materials consumed	**22**	96.73	-
	Employee benefits expense	**23**	3,643.54	6,026.55
	Finance costs	**24**	191.66	212.12
	Depreciation and amortisation expense	**25**	203.03	203.17
	Other expenses			
	(a) Operating costs	**26A**	1,439.96	3,402.15
	(b) Other expenses	**26B**	378.46	618.01
	Total expenses		**6,706.03**	**9,869.46**
III	**Profit/ (Loss) before tax**		**(31.66)**	**14.17**
IV	**Tax expense/ (credit)**	**27**		
	Current tax		8.92	15.32
	Deferred tax charge		(93.67)	(11.07)
V	**Profit for the year**		**53.09**	**9.92**
VI	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	**30**	88.82	84.02
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans		(24.71)	(23.37)
	Total other Comprehensive Income for the year		**64.11**	**60.65**
VII	**Total Comprehensive Income for the year**		**117.20**	**70.57**
VIII	**Earnings per equity share of Rs 10 each:**	**28**		
	Basic earnings per share (Rs)		0.46	0.09
	Diluted earnings per share (Rs)		0.46	0.09

Notes 1 to 38 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

Sd/-
Adi P. Sethna
Partner
Membership No.: 108840

For and on behalf of Board of Directors

Sd/-
Prasad Thakur
Manager and Director
DIN: 07278555

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Ashok Kumar Bansal
Chief Financial Officer

Place: Mumbai
Date : 4 May 2021

Place: Mumbai
Date : 4 May 2021

Everblue Apparel Limited
Statement of Cash Flow for the year ended 31 March 2021

	Year ended 31 March 2021 (Rs in lakhs)	Year ended 31 March 2020 (Rs in lakhs)
CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	(31.66)	14.17
Adjustments for:		
Remeasurements of net defined benefit plans	88.82	84.02
Depreciation and amortization expenses	203.03	203.17
Government grant amortised	(32.84)	(32.84)
Finance cost	191.66	212.12
Profit on sale of property, plant and equipment	-	(0.59)
Interest income	(2.90)	(2.55)
Operating profit before working capital changes	**416.11**	**477.50**
Adjustments for:		
(Increase) / Decrease in trade and other receivables	284.32	(815.60)
Decrease / (Increase) in inventories	(28.41)	(38.58)
Increase / (Decrease) in trade and other payables	(436.15)	416.62
(Decrease) / increase in provisions	(102.40)	(84.97)
Cash generated from/ (used in) operations	133.47	(45.03)
Direct taxes (paid)/ refund [net]	355.17	(197.19)
Net cash generated from/ (used in) operating activities	**488.64**	**(242.22)**
CASH FLOW FROM INVESTING ACTIVITIES :		
Interest received	2.90	2.55
Purchase of property, plant and equipment/ intangible assets	3.44	(51.62)
Sale proceeds of property, plant and equipment	-	0.80
Net cash generated from/ (used in) investing activities	**6.33**	**(48.27)**
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds / (Repayment) of short term borrowings	46.99	165.86
Proceeds from long term borrowings	100.00	403.02
Repayment of long term borrowings	(113.78)	(64.75)
Net Interest paid	(188.34)	(214.50)
Net cash (used) in financing activities	**(155.13)**	**289.63**
Net increase/(decrease) in cash and cash equivalents	**339.84**	**(0.86)**
Cash and cash equivalents at beginning of the year	**2.64**	**3.50**
Cash and cash equivalents at end of the year	**342.48**	**2.64**

Notes 1 to 38 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

Sd/-
Adi P. Sethna
Partner
Membership No.: 108840

Place: Mumbai
Date : 4 May 2021

For and on behalf of Board of Directors

Sd/-
Prasad Thakur
Manager and Director
DIN: 07278555

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Ashok Kumar Bansal
Chief Financial Officer

Place: Mumbai
Date : 4 May 2021

Everblue Apparel Limited
Statement of changes in equity for the year ended 31 March 2021

A.

Equity share capital	Number	(Rs in lakhs)
Equity shares of Rs 10 each issued, subscribed and fully paid up		
As at 1 April 2019	**11,500,000**	**1,150.00**
Issue of equity shares	-	**-**
As at 31 March 2020	**11,500,000**	**1,150.00**
Issue of equity shares	-	-
As at 31 March 2021	**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 2019	**(416.33)**	**350.00**	**(66.33)**
Profit for the year ended 31 March 2020	9.92	-	**9.92**
Other comprehensive income for 31 March 2020	60.65	-	**60.65**
Balance as at 31 March 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**

Notes 1 to 38 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

Sd/-
Adi P. Sethna
Partner
Membership No.: 108840

Place: Mumbai
Date : 4 May 2021

For and on behalf of Board of Directors

Sd/-
Prasad Thakur
Manager and Director
DIN: 07278555

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Ashok Kumar Bansal
Chief Financial Officer

Place: Mumbai
Date : 4 May 2021

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 2021 ("the financial statements") were authorised for issue in accordance with resolution of the Board of Directors on 4 May 2021

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
<u>The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:</u>
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 2021.

(This space has been intentionally left blank)

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 2019	**567.10**	**1,360.36**	**1,959.69**	**83.95**	**4.13**	**42.67**	**4,017.90**
Additions / adjustments	-	-	26.84	0.33	-	4.92	32.09
Deletions / adjustments	-	-	5.84	-	-	-	5.84
Balance as at 31 March 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**
Accumulated Depreciation							
As at 1 April 2019	-	202.71	650.75	55.51	3.15	28.84	940.96
Charge for the year	-	42.50	145.61	7.18	0.15	5.59	201.03
Deletions / adjustments	-	-	5.63	-	-	-	5.63
Balance as at 31 March 2020	**-**	**245.21**	**790.73**	**62.69**	**3.30**	**34.43**	**1,136.36**
Charge for the year	-	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**
Net carrying amount							
Balance as at 31 March 2020	**567.10**	**1,115.15**	**1,189.96**	**21.59**	**0.83**	**13.16**	**2,907.79**
Balance as at 31 March 2021	**567.10**	**1,064.67**	**1,059.78**	**16.18**	**0.76**	**7.58**	**2,716.07**

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.

iii) The Company had made a representation 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). However, in view of no written communication from KIADB relating to the date by which the portion of land is to be handed over to NHAI, no adjustment to Property, Plant and Equipment has been accounted as at 31 March 2021.

(This space has been intentionally left blank)

Everblue Apparel Limited

Summary of the significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

Note 3- Intangible assets

	(Rs in lakhs) Computer Software
Gross carrying amount	
As at 1 April 2019	**12.03**
Additions / adjustments	19.57
Deletions / adjustments	-
Balance as at 31 March 2020	**31.60**
Additions / adjustments	1.32
Deletions / adjustments	-
Balance as at 31 March 2021	**32.92**
Accumulated amortisation	
As at 1 April 2019	11.44
Amortisation for the year	2.14
Deletions / adjustments	-
Balance as at 31 March 2020	**13.58**
Amortisation for the year	6.10
Deletions / adjustments	-
Balance as at 31 March 2021	**19.68**
Net carrying amount	
Balance as at 31 March 2020	**18.02**
Balance as at 31 March 2021	**13.24**

(This space has been intentionally left blank)

Everblue Apparel Limited
Summary of the significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

Note 4 :- Non-current financial assets

	As at 31 March 2021 (Rs in lakhs)	As at 31 March 2020 (Rs in lakhs)
(Unsecured, considered good)		
Deposits with others	91.97	91.59
Total	**91.97**	**91.59**

Note 5- Other non-current assets

Capital advances	-	5.46
Prepaid expenses	0.34	5.74
Total	**0.34**	**11.20**

Note 6- Inventories

Stores and spares	39.46	39.53
Raw Material	28.48	-
Total	**67.94**	**39.53**

Note 7- Trade receivables
(Unsecured, considered good unless otherwise stated)

Trade receivables	-	-
Receivables from related parties (refer note 32)	872.81	129.97
Total	**872.81**	**129.97**

Refer note 34 for information about credit risk and market risk of trade receivables.

Note 8- Cash and cash equivalents

Balances with Banks - in current accounts	11.82	2.00
Balances with Banks - in OD account	330.44	-
Cash on hand	0.22	0.64
Total	**342.48**	**2.64**

Note 9- Other current assets

Prepaid expenses	10.46	2.36
Interest subsidy receivable	1.43	1.43
Accumulated costs on conversion contract - in process (refer note 1.2 (h))	330.53	1,083.18
Balance with government authorities	0.22	16.03
Advances to suppliers	5.16	273.68
Other advances	10.76	4.02
Total	**358.56**	**1,380.70**

(This space has been intentionally left blank)

Note 10- Equity Share Capital

	As at 31 March 2021	As at 31 March 2020
	(Rs in lakhs)	(Rs in lakhs)
Authorised		
20,000,000 [31 March 2020: 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 2020 : 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 2021		As at 31 March 2020	
	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

(This space has been intentionally left blank)

	As at 31 March 2021 (Rs in lakhs)	As at 31 March 2020 (Rs in lakhs)
Note 11 - Non Current Borrowings		
Secured		
Term loans		
From bank #	291.72	327.72
Unsecured		
Loan from Holding Company - Raymond Limited ##	1,400.00	1,400.00
Total	**1,691.72**	**1,727.72**

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. 424.94 lakhs (31 March 2020 : Rs. 438.72 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.
34 equal instalments of Rs. 9.25 lakhs per month and 35th instalment of Rs. 9.75 lakhs.
Interest at the rate of 1 year marginal cost of funds based lending rate (MCLR) + 0.70% p.a i.e. 8.85% p.a. as at 31 March 2021 (31 March 2020: 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 2021.

Instalments falling due within twelve months of the year end aggregating Rs. 133.22 lakhs (31 March 2020: Rs. 111.00 lakhs) in respect of all the loans has been grouped under 'Current maturities of long term debt' (Refer Note 17)

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 2020: Rs. 1,400 lakhs). Rate of interest as at year end 10.50% p.a (as at 31 March 2020: 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

Interest accrued but not due on borrowings	135.98	132.66
Total	**135.98**	**132.66**
Note 13- Other non - current liabilities		
Government grant [Refer note 13 (a)]	70.08	102.92
Total	**70.08**	**102.92**
Note- 13 (a) Movement of Government grant		
Opening: Government grant	138.22	171.06
Add: Addition during the year	-	-
Less: released to statement of profit and loss	32.84	32.84
Closing: Government grant	**105.38**	**138.22**
Current portion	35.30	35.30
Non-current portion	70.08	102.92
Total	**105.38**	**138.22**

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 2021 (Rs in lakhs)	As at 31 March 2020 (Rs in lakhs)
Non-current		
Provision for employee benefits [Refer note 31]		
Leave entitlement	95.63	153.97
Total	**95.63**	**153.97**
Current		
Provision for employee benefits [Refer note 31]		
Leave entitlement	22.69	39.11
Gratuity	11.01	38.65
Total	**33.70**	**77.76**

Note 15- Current borrowings

Secured		
Working capital loan from banks	309.34	262.35
Total	**309.34**	**262.35**

Nature of security

Amount of Rs. 309.34 lakhs (31 March 2020: Rs. 262.35 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

Amount due to related party (refer note 32)	-	-
Total outstanding dues of Micro Enterprises and Small Enterprises [Refer note 16 (a)]	27.74	50.29
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	367.04	697.66
Total	**394.78**	**747.95**

(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 2021	31 March 2020
a) The principal amount remaining unpaid to any supplier at the end of the year	27.74	50.29
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.

Note 17- Other financial liabilities

(a) Current maturities of long-term debt	133.22	111.00
(b) Capital creditors	8.51	4.00
(c) Salary and wages payable	454.42	598.48
(d) Payable to holding company [Refer note 32]	206.94	113.23
Total	**803.09**	**826.71**

Note 18- Other current liabilities

Statutory dues	64.22	96.93
Government grant [Refer note 13]	35.30	35.30
Rent equalisation	1.58	1.51
Total	**101.10**	**133.74**

	Year ended 31 March 2021 (Rs in lakhs)	Year ended 31 March 2020 (Rs in lakhs)
Note 19- Revenue from operations		
Sale		
Goods	164.88	-
Job work	6,443.10	9,846.62
Total	**6,607.98**	**9,846.62**
Note 20- Other income		
Interest income	2.90	2.55
Government grant amortised [Refer note 13 (a)]	32.84	32.84
Miscellaneous income	30.65	1.62
Total	**66.39**	**37.01**
Note 21- Change in value of contract assets (refer note 1.2 (h))		
Decrease/(increase) in accumulated costs on conversion contract	752.65	(592.54)
Total	**752.65**	**(592.54)**
Note 22- Cost of materials consumed		
Raw materials consumed		
Opening stock	-	-
Purchases (net)	125.21	-
Less : closing stock	(28.48)	-
Total	**96.73**	**-**
Note 23- Employee benefits expense		
Salaries and wages	2,971.70	4,948.98
Contribution to provident fund and other funds (Refer note 31)	322.63	480.05
Gratuity (Refer note 31)	99.83	122.71
Workmen and staff welfare expenses	249.38	474.81
Total	**3,643.54**	**6,026.55**
Note 24- Finance costs		
Interest expense	191.66	212.12
Total	**191.66**	**212.12**
Note 25- Depreciation and amortization expense		
Depreciation on property, plant and equipment	196.93	201.03
Amortization of intangible assets	6.10	2.14
Total	**203.03**	**203.17**
Note 26A- Manufacturing and operating costs		
Consumption of stores and spare parts	263.49	487.27
Power and fuel	281.23	478.49
Job work charges	173.62	1,687.57
Repairs to buildings	15.11	4.92
Repairs to machinery	25.88	20.41
Machine hire charges (Refer note 36)	680.63	723.49
Total	**1,439.96**	**3,402.15**
Note 26B- Other expenses		
Rent (Refer note 36)	27.76	60.69
Insurance	19.00	31.72
Rates and taxes	6.78	11.88
Legal and professional expenses	84.62	115.81
Travelling & conveyance	9.54	35.87
Security charges	47.91	72.57
Housekeeping charges	43.51	99.93
Miscellaneous expenses	139.34	189.54
Total	**378.46**	**618.01**
(a) Legal and professional expenses include:		
Auditors' remuneration and expenses		
Audit fees (Including goods and services tax)	5.31	5.31
Reimbursement of out-of-pocket expenses	0.35	0.37

(Rs in lakhs)

Note 27- Income taxes	As at 31 March 2021	As at 31 March 2020
i. The following table provides the details of income tax assets and liabilities:		
Non-current		
a) Income tax assets	227.53	591.62
b) Current income tax liabilities	-	-
Current tax assets (net)	**227.53**	**591.62**

Tax expense recognised in the statement of profit and loss

(Rs in lakhs)

	Year ended 31 March 2021	Year ended 31 March 2020
Current tax		
Current year	8.92	15.32
Total current tax	**8.92**	**15.32**
Deferred tax		
Origination and reversal of temporary difference	(93.67)	(11.07)
Total deferred income tax expense	**(93.67)**	**(11.07)**
Total income tax expense/(credit)	**(84.75)**	**4.25**

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 2021	Year ended 31 March 2020
Enacted income tax rate in India	27.82%	27.82%
Profit/ (loss) before tax	(31.66)	14.17
Income Tax expense as per enacted rate	(8.81)	3.94
Tax effect of adjustment to reconcile income tax expenses as per enacted rate with reported income tax expenses:		
Others	-	0.31
Minimum alternate tax credit	(8.92)	(15.32)
Minimum alternate tax charge	8.92	15.32
Tax in respect of earlier years*	93.56	-
Total income tax expense/(credit)	**84.75**	**4.25**

* Represents adjustment to deferred tax asset based upon the Income tax return filed by the Company for the assessment year 2020-21.

The movement in deferred tax assets and liabilities during the year ended 31 March 2020 and 31 March 2021:

(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**

(Rs in lakhs)

Movement during the year ended 31 March 2020	As at 1 April 2019	Credit/(charge) in statement of profit and loss	Credit/(charge) in other comprehensive income	As at 31 March 2020
Deferred tax assets/(liabilities)				
Provision for post retirement benefits and other employee benefits	149.86	7.59	(23.37)	134.08
Depreciation and amortisation	(311.98)	(0.82)	-	(312.80)
Unabsorbed tax depreciation - Refer note below	216.05	(11.02)	-	205.03
Total	**53.93**	**(4.25)**	**(23.37)**	**26.31**
Mat credit entitlement - Refer note below	105.33	15.32	-	120.65
Total	**159.26**	**11.07**	**(23.37)**	**146.96**

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.

(This space has been intentionally left blank)

	Year ended 31 March 2021	Year ended 31 March 2020
28 Earnings per share (EPS)		
Basic and Diluted :		
Profit as per the Statement of profit and loss available for equity shareholders (Rs. In lakhs)	53.09	9.92
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)	0.46	0.09

	As at 31 March 2021 (Rs in lakhs)	As at 31 March 2020 (Rs in lakhs)

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	872.81	129.97
Inventories	67.94	39.53
Cash and cash equivalents	342.48	2.64
Other current assets	358.56	1,380.70
Total Current assets Hypothecated as security	**1,641.79**	**1,552.84**
Non Current Assets		
Land	567.10	567.10
Building	1,064.67	1,115.15
Total non-current assets Hypothecated as security	**1,631.77**	**1,682.25**
Total assets hypothecated as security	**3,273.56**	**3,235.09**

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	-	2.56
	-	**2.56**
Less: Capital advances	-	-
Net Capital commitments	**-**	**2.56**

(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 purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. Considering the uncertainties 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 - Refer Note 2 (iii)

(This space has been intentionally left blank)

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 2021	**As at 31 March 2020**
Present value of plan liabilities	259.64	376.79
Fair value of plan assets	248.63	338.14
Plan liability net of plan assets	**11.01**	**38.65**

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 2019	372.62	268.66	103.96
Current service cost	115.15	-	115.15
Interest expense/(income)	27.09	19.53	7.56
Total amount recognised in Statement of Profit and Loss account	**142.24**	**19.53**	**122.71**
Remeasurements			
Return on plan assets excluding amounts included in interest expense/(income)	-	(10.23)	10.23
(Gain)/loss from changes in financial assumptions	(90.83)	-	(90.83)
Experience (gains)/losses	(3.42)	-	(3.42)
Total amount recognised in other comprehensive income	**(94.25)**	**(10.23)**	**(84.02)**
Employer contributions	-	104.00	(104.00)
Benefit payments	(43.82)	(43.82)	-
As at 31 March 2020	**376.79**	**338.14**	**38.65**

(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**

The weighted average duration of the defined benefit plans is 8 Years.

The Company expects to contribute Rs 73.31 lakhs to the funded plans in financial year 2021-2022 (2020-21 : Rs. 135.99 lakhs).

C. Assets

(Rs. in lakhs)

	Defined benefit plans	
	As at 31 March 2021	**As at 31 March 2020**
Unquoted		
Insurer managed funds	248.63	338.14
Total	**248.63**	**338.14**

(This space has been intentionally left blank)

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 2021	As at 31 March 2020
Financial Assumptions		
Discount rate	6.26%	6.43%
Salary escalation rate	1.00% p.a. for the next 1 year, 2.00% p.a. for the next 3 years 5.50% p.a. thereafter	1% for first 2 years, 2% for next 3 years, & thereafter, 5.5%
Employee turnover rate	7% for staff & 13% for operators	7% for staff & 13% for operators

Demographic Assumptions
Mortality in Service : Indian Assured Lives Mortality (2006-08) Ultimate 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
Discount rate	1%	(15.34)	17.33
Salary escalation rate	1%	17.58	(15.84)
Employee turnover	1%	(0.36)	(203.91)

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 2021 as follows:

(Rs. in lakhs)

	Defined benefit obligation	
	As at 31 March 2021	As at 31 March 2020
1st Following Year	25.51	36.41
2nd Following Year	26.48	40.52
3rd Following Year	27.49	40.67
4th Following Year	27.19	41.82
5th Following Year	26.17	39.95
6th to 10 th Year	115.20	163.61

(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 322.63 lakhs (31 March 2020: Rs 480.05 lakhs).

(iii) Leave Obligations :

The expenses for leave entitlement and compensated absences is recognized in the same manner as gratuity and provision of Rs 118.32 lakhs has been made as at 31 March 2021 (31 March 2020: Rs 193.08 lakhs).

(This space has been intentionally left blank)

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
S. K. Gupta	Director
Prasad Thakur	Manager and Director
Vijay Nana Patil	Director
Ashok Kumar Bansal	Chief Financial Officer (w.e.f 23 October 2019)
Narayana Reddy	Chief Financial Officer (till 25 May 2019)
Aruna Subhramanian	Company Secretary (till 19 April 2021)

B. Nature of Transactions

		Year ended 31 March 2021 Rs in lakhs	Year ended 31 March 2020 Rs in lakhs
Rendering of services			
Raymond UCO Denim Private Limited	Joint venture	6,443.10	9,846.50
Silver Spark Apparel Limited	Fellow subsidiary	6.34	0.12
Reimbursement of expenses / purchase			
Raymond Limited	Holding Company	95.99	105.69
Silver Spark Apparel Limited	Fellow subsidiary	10.62	-
Finance cost			
Raymond Limited	Holding Company	147.00	147.40
Machine Hire Charges Paid			
Raymond UCO Denim Private Limited	Joint venture	660.00	660.00
Remuneration Paid			
Ashok Kumar Bansal		21.85	15.20
Narayana Reddy		-	8.16

C. Outstanding balances:		As at 31 March 2021 Rs in lakhs	As at 31 March 2020 Rs in lakhs
Interest accrued			
Raymond Limited	Holding Company	135.98	132.66
Other financial liabilities			
Raymond Limited	Holding Company	206.94	113.23
Borrowings			
Raymond Limited	Holding Company	1,400.00	1,400.00
Trade receivables			
Raymond UCO Denim Private Limited	Joint Venture	872.78	129.84
Silver Spark Apparels Limited	Fellow subsidiary	0.03	0.13

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 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	-	-	-	-	-	-	-	-	-	-	342.48	342.48	342.48
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,307.26**	**1,307.26**	**1,307.26**

(This space has been intentionally left blank)

(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 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**

The carrying value and fair value of financial instruments by categories and hierarchy as at 31 March 2020 were as follows:

(Rs in lakhs)

Financial Assets and Liabilities as at 31 March 2020	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	-	-	-	-	-	-	-	-	-	-	91.59	91.59	91.59
Trade receivable	-	-	-	-	-	-	-	-	-	-	129.97	129.97	129.97
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	2.64	2.64	2.64
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**224.20**	**224.20**	**224.20**
Financial liabilities													
Borrowings	-	-	-	-	-	-	-	-	-	-	2,101.07	2,101.07	2,101.07
Other financial liabilities	-	-	-	-	-	-	-	-	-	-	848.37	848.37	848.37
Trade payables	-	-	-	-	-	-	-	-	-	-	747.95	747.95	747.95
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,697.39**	**3,697.39**	**3,697.39**

(This space has been intentionally left blank)

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 2021**	**As at 31 March 2020**
Borrowings bearing variable rate of interest	734.29	701.07
50 bp increase- decrease in profits	3.67	3.51
50 bp decrease- Increase in profits	(3.67)	(3.51)

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 2020**
Not due	872.81	129.84
0-3 months	-	-
3-6 months	-	0.13
6-12 months	-	-
Beyond 12 months	-	-
Total	**872.81**	**129.97**

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 2021				**As at 31 March 2020**			
	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)	133.22	1,691.72	-	1,824.94	111.00	1,727.72	-	1,838.72
Short-term borrowings	309.34	-	-	309.34	262.35	-	-	262.35
Trade payables	394.78	-	-	394.78	747.95	-	-	747.95
Other financial liabilities	669.86	135.98	-	805.84	715.71	132.66	-	848.37
Total	**1,507.20**	**1,827.70**	**-**	**3,334.90**	**1,837.01**	**1,860.38**	**-**	**3,697.39**

The company had acccess to the following undrawn facilities at the end of the reporting period :

(Rs in lakhs)

	As at 31 March 2021	**As at 31 March 2020**
Floating Rate		
Working capital loan	440.66	237.65
Term Loan	-	-

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 2021 (Rs in lakhs)	As at 31 March 2020 (Rs in lakhs)
Net debt #	2,612.74	2,236.37
Total equity	1,271.44	1,154.24
Net Debt to Total Equity	205%	194%

In the long run, the Company's strategy is to maintain a gearing ratio between 190% to 210%.

 # Net debt reconciliation

	As at 31 March 2021	As at 31 March 2020
Cash and cash equivalents	342.48	2.64
Non- current borrowings	1,824.94	1,838.72
Current borrowings	309.34	262.35
Interest Payable	135.98	132.66
Net Debt	**2,612.74**	**2,236.37**

	Cash and cash equivalents	Non current borrowings	Current borrowings	Interest Payable	Total
Net as at 01 April 2019	**3.50**	**1,500.45**	**96.49**	**135.04**	**1,735.48**
Cash flows	(0.86)	338.27	165.86	-	503.27
Finance Cost Expense	-	-	-	212.12	212.12
Finance Cost Paid	-	-	-	(214.50)	(214.50)
Net as at 31 March 2020	**2.64**	**1,838.72**	**262.35**	**132.66**	**2,236.37**
Cash flows	339.84	(13.78)	46.99	-	373.05
Finance Cost Expense	-	-	-	191.66	191.66
Finance Cost Paid	-	-	-	(188.34)	(188.34)
Net as at 31 March 2021	**342.48**	**1,824.94**	**309.34**	**135.98**	**2,612.74**

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 2021 Rs in lakhs	Year ended 31 March 2020 Rs in lakhs
Short term leases	704.26	775.18
Leases of low value assets	4.13	9.00
Total lease expenses	**708.39**	**784.18**

(This space has been intentionally left blank)

Note 37 : 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. 6,607.98 lakhs (31 March 2020 : Rs 9,846.62 lakhs). Further there is no external customer having revenue of more than 10%.

Note 38 : In March 2020, the World Health Organisation (WHO) declared COVID-19 a global pandemic. Consequent to this, Government of India declared nation-wide lockdown on 24 March 2020, which has impacted normal business operations of the Company. 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 statements, to determine the impact on the Company's revenue from operations and the consequent impact on liquidity position for the next year and the recoverability and carrying value of certain assets such as property, plant and equipment, inventories and trade 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 statements, which may differ from that considered as at the date of approval of these financial statements. As the situation is unprecedented, while the lockdown is gradually lifting, the Company is yet closely monitoring the situation as it evolves in the future. The Company has resumed its business activities by taking steps to strengthen liquidity position, initiating cost restructuring exercises and reopening factory, in line with guideline issued by the Government authorities. 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

Sd/-
Adi P. Sethna
Partner
Membership No.: 108840

Place: Mumbai
Date : 4 May 2021

For and on behalf of Board of Directors

Sd/-
Prasad Thakur
Manager and Director
DIN: 07278555

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Ashok Kumar Bansal
Chief Financial Officer

Place: Mumbai
Date : 4 May 2021

JK FILES (INDIA) LIMITED

ANNUAL REPORT 2020-21

BOARD OF DIRECTORS	:	SHRI RAVIKANT UPPAL SHRI K. A. NARAYAN SHRI GANESHKUMAR SUBRAMANIAN *(resigned as a Whole Time Director continued as a Non-Executive Director w.e.f 31.05.2020)* SHRI VIPIN AGARWAL *(resigned on 16.10.2020)* SMT. RASHMI MUNDADA SHRI BALASUBRAMANIAN VISHWANATHAN *(appointed on 09.11.2020)* SHRI HUKUMCHAND LAKHOTIYA
WHOLE TIME DIRECTOR	:	SHRI HUKUMCHAND LAKHOTIYA *(appointed on 01.02.2021)*
CHIEF FINANCIAL OFFICER	:	SHRI SRINIVASAN GANAPATHY
COMPANY SECRETARY	:	SMT. ARCHANA PANCHAL *(resigned on 31.07.2020)* SHRI WAQAR SIDDIQUI *(appointed on 09.11.2020)*
STATUTORY AUDITORS	:	MESSRS. PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
SECRETARIAL AUDITOR	:	MESSRS DM & ASSOCIATES, COMPANY SECRETARIES LLP.
INTERNAL AUDITORS	:	MESSRS. MAHAJAN & AIBARA, CHARTERED ACCOUNTANTS LLP
REGISTERED OFFICE	:	NEW HIND HOUSE, NAROTTAM MORARJI MARG, BALLARD ESTATE, MUMBAI – 400 001 MAHARASHTRA.

JK FILES (INDIA) LIMITED
(CIN: U27104MH1997PLC105955)
DIRECTORS' REPORT

To,
The Members of JK FILES (INDIA) LIMITED

Your Directors present their **Twenty Fourth** Annual Report on the business and Operations of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2021.

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%.

The company reported a Gross Revenue of Rs. 348.07 Crore for the FY 2021 (Previous Year: Rs. 379.07 crore). The Company registered a profit before exceptional item of Rs. 32.90 Crore (Previous year profit of Rs 18.56 Crores)

The Company registered a Profit after Tax of Rs. 24.48 Crore (Previous Year: Profit of Rs. 12.32 Crore).

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 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 has performed a detailed assessment of the situation and believes that no adjustments are required in the financial statements as it does not impact the current financial year; however, in view of the various preventive measures taken (such as lock-down restrictions by the various State Government, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

4. DIVIDEND

In order to conserve resources, no dividend has been recommended for the FY 2020-21.

5. RESERVES

Your company has not transferred any amount to the reserves of the Company.

6. SUBSDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

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 2020-21, the Gross Revenue of the company stood at Rs.20.19 Crores (previous Year: Rs. 23.26 crore). The Company reported a profit after tax of Rs. 1.09 Crore during FY 2020-21 (Previous Year: Profit of Rs. 2.30 crores).

7. 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.

8. AUDITORS

8.1 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, was appointed as the Statutory Auditor of the Company for a period of 5 years at the Annual General Meeting (AGM) held on June 02, 2017. Accordingly, M/s Price Waterhouse Chartered Accountants LLP was the statutory auditors of the Company for the Financial Year 2020-21. There is no audit qualification in the financial statements by the statutory auditors for the year under review.

8.2 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.

9.1 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. Mahajan & Aibara Chartered Accountants 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 control mechanism. The Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken.

9.2 SECRETARIAL STANDARDS

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

9.3 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.

10. SHARE CAPITAL

The paid up Share Capital as on March 31, 2021 was **Rs. 30.74 Crore**. 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, 2021, none of the Directors or Key Managerial Personnel of the Company holds any Shares or convertible instruments of the Company.

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 Statements.

13. 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 Ravi Uppal (DIN: 00950589) , 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 09, 2020 has appointed Shri Balasubramanian Vishwanathan (DIN: 05222476) as an Additional director and on February 01, 2021 has appointed Shri Hukumchand Lakhotiya (DIN: 09043106) as an Additional and Whole Time Director of the Company.

In Extraordinary General Meeting held on February 27, 2021, members regularised the appointment of Shri Balasubramanian Vishwanathan and Shri Hukumchand Lakhotiya as Director and Whole Time Director of the Company respectively.

Shri Ganeshkumar Subramanian resigned as a Whole Time Director and continued to be member of the board as a Non-Executive Director of the Company w.e.f. May 31, 2020.

Shri Vipin Agarwal resigned as Non-Executive Director of the Company w.e.f. October 16, 2020 to pursue other interests and commitments.

Pursuant to Section 149 of the Companies Act, 2013, Smt. Rashmi Mundada continues to be a Independent Women Director of the Company as the turnover of your Company.

The Independent Director has given declarations that she meet criteria of independence as laid down under Section 149(7) of the Companies Act, 2013.

During the year, Five Board Meetings were held viz. April 02, 2020, June 25, 2020, September 11, 2020, November 09, 2020 and February 01, 2021.

Sr. No.	Name of Director	DATE OF BOARD MEETING				
		02.04.2020	**25.06.2020**	**11.09.2020**	**09.11.2020**	**01.02.2021**
1	Shri Ravikant Uppal	✓	✓	✓	✓	✓
2	Shri Ganeshkumar Subramanian	✓	✓	✓	✓	✓
3	Shri K. A. Narayan	✓	✓	✓	-	✓
4	Smt. Rashmi Mundada	✓	✓	✓	✓	✓
5	Shri Vipin Agarwal*	✓	✓	✓	NA	NA
6	Shri Balasubramanian Vishwanathan**	NA	NA	NA	✓	✓
7	Shri Hukumchand Lakhotiya***	NA	NA	NA	NA	✓

*Shri Vipin Agarwal resigned w.e.f. October 16, 2020.
**Shri Balasubramanian Vishwanathan was appointed as an Additional director on November 09, 2020.
***Shri Hukumchand Lakhotiya was appointed as an Additional and Whole Time Director of the Company effective from February 01, 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). Independent Directors of your Company are registered with IICA.

III) Key Managerial Personnel

As on March 31, 2021 your company has the following KMP's:

Sr. No.	Name of the Person	Designation	Date of the Appointment
1	Shri Hukumchand Lakhotiya	Whole time Director	01/02/2021
2	Shri Srinivasan Ganapathy	Chief Financial Officer	24/07/2014
3	Shri Waqar Siddiqui	Company Secretary	09/11/2020

IV) 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 Directors express their satisfaction with the evaluation process.

14. 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:

Corporate Social Responsibility Committee

A report on CSR activities and the contents of Corporate Social Responsibility policy is annexed as **Annexure – B.**

The policy is displayed on the Company's website i.e. www.jksuperdrive.com.

The Composition of the Committee is as under:

1. Shri V. Balasubramanian : Non-Executive Director, Chairman
2. Smt. Rashmi Mundada : Independent Director, Member
3. Shri K. A. Narayan : Non-Executive Director, Member

Corporate Social Responsibility was re-constituted on February 1, 2021 owing to resignation of Shri Vipin Agarwal and consequently Shri V. Balasubramanian was inducted as member and Chairman of the Committee.

During the year, a meeting of Corporate Social Responsibility Committee was held on March 19, 2021.

Sr. No.	Name of Director	DATE OF MEETING
		19.03.2021
1	Shri V. Balasubramanian	✓
2	Smt. Rashmi Mundada	✓
3	Shri K. A. Narayan	✓

Committee of Directors

The Committee of Directors has been re-constituted on February 01, 2021 pursuant to resignation of Shri Vipin Agarwal form the Board and Shri V. Balasubramanian was inducted as member and Chairman of the Committee

The Composition of the Committee is as under:

1. Shri V. Balasubramanian : Non-Executive Director, Chairman
2. Smt. Rashmi Mundada : Independent Director, Member
3. Shri K. A. Narayan : Non-Executive Director, Member

During the year, one meeting of Committee of Directors was held viz. March 31, 2021.

Sr. No.	Name of Director	Date of Meeting March 31, 2021
1	Shri V. Balasubramanian	✓
2	Smt. Rashmi Mundada	✓
3	Shri K. A. Narayan	✓

15. 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.jksuperdrive.com).

16. 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.

17. 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.

18. 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:

a. that in the preparation of the annual accounts for the year ended March 31, 2021, 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, 2021 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.

19. 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.

20. ANNUAL RETURN

The details forming part of the Annual Return are displayed on the Company's website (www.jksuperdrive.com).

21. 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, 2021 is not applicable.

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 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.

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 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 J.K. Files (India) Limited

	Sd/-	**Sd/-**
Place : Mumbai	**Shri Ganeshkumar Subramanian**	**Shri K.A. Narayan**
Date : May 3, 2021	**Director**	**Director**
	DIN: 00088163	**DIN: 00950589**

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, 2021

To,
The Members,
JK FILES (INDIA) 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 (INDIA) 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, 2021, 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, 2021 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 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.

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.

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 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 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: F005683C000226882

Place: Mumbai
Date: May 3, 2021

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,
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

Dinesh Kumar Deora
Partner
FCS NO 5683
CP NO 4119
UDIN: F005683C000226882

Place: Mumbai
Date: May 3, 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 March 19, 2021.

1. The composition of the CSR Committee.

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 V. Balasubramanian**	Non-Executive Director, Chairman	1	1
2	**Smt. Rashmi Mundada**	Independent Director, Member	1	1
3	**Shri K. A. Narayan**	Non-Executive Director, Member	1	1

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.jksuperdrive.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. 1727.64 Lacs

6. (a) Two percent of average net profit of the company as per section 135(5): Rs. 35 Lacs (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. 35 Lacs (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
35 Lacs	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:

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.	Hospitalization and medical expense reimbursement for the employees of JK files (India) Limited	Animal Welfare	Yes	MH		1.20 Lac	No	JK Trust, NGO	CSR00000006
2.	Cattle Breed Improvement Project	Animal Welfare	Yes	MH		29.64 Lac	No	JK Trust, NGO	CSR00000006
3.	Construction of new RCC structure for Residential Program for Special Needs Children	Health	Yes	MH		04.16 Lac	No	Amar Seva Sangam	NA

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nor applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 35 Lac

(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)**	**35**
ii.	Total amount spent for the Financial Year	35
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**

Sd/-	Sd/-
Shri Hukumchand Lakhotiya	**Shri V. Balasubramanian**
(Director)	**(Chairman – CSR Committee)**
DIN: 09043106	**DIN: 05222476**

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 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 :

- Under the Green Energy initiative, the Company has installed and commissioned a "Solar Power Generation system" of 60 Kw in FY 2012-13 in the premises of JK Files (India) Ltd, Thane & of 100 Kw in FY 2015-16 in the premises of JK Files (India) Ltd, Chiplun. In this financial year i.e. (2020-21), it has generated Green power of 152.76 MWh thereby achieving a reduction of 160 MT of CO_2.

- During FY 19-20, JKFIL's manufacturing engineering team replaced all CFL lamps by LED lamps in premises JK Files (India) Ltd, Thane. In this financial year i.e. (2020-21) it has saved Rs. 1.09 Lacs.

- During FY 17-18, JKFIL's Pithampur plant made the Solar Power Purchase agreement. This gives the benefits in terms of rate of electricity. Total saving through this in this FY ie. FY 2020-21 is ₹ 12.06 Lacs

- In addition to this below some initiatives taken During FY 20-21 at various plants of JKFIL's. These initiatives helps to save electricity. Total saving through this in this FY ie. FY 2020-21 is ₹ 10.30 Lacs

Sr. no	Cost saving initiatives FY 20-21	Plant	Total savings (Rs. Lacs)
1	Managing loading and unloading time of Compressors	Vapi	3.42
2	Energy saving through usage of Skylight	Pithampur	0.29
3	Replacing the 40 Watt Fluorescent Tube Light with 20 Watt LED Tube Lights for 76 Nos of BS4 Cutting Machine	Pithampur	0.49
4	Annealing No of charges in OFF - Peak hr increasing from 1 no to 2 nos	Pithampur	2.62
5	Factory 52W fluorescent lights replacement with 20w LED lights.	Chiplun	2.60
6	40W Machine lights replacement with 5w LED lights.	Chiplun	0.88

B) TECHNOLOGY ABSORPTION :

a) Development in machine

Various cost saving initiatives taken by development in machine & fixtures at various plants of JKFIL's. This development makes the saving of ₹ 83.14 in FY 2020-21.

Sr no	Cost saving initiatives FY 20-21	Plant	Total savings (Rs. Lacs)
1	Double row scouring machine	Vapi	23.15
2	Edge cutting fixture's material development (Mill & Flat)	Vapi	0.66
3	Replacement of eccentric gear box	Vapi	0.14
4	Avoid file falling in scouring department	Vapi	0.37
5	Changing the Fixture of Robo hardening from 1 fixture 72 holes to 2 fixture 45 Holes	Pithampur	23.56
6	Double Row Scouring machine-1 instead of Single row scouring Machine	Pithampur	8.02
7	Increase in HRM Yield of Hot Rolled bars from 6.48% to 6.15% by reduction in change over time, right first quality & End-Bend reduction	Pithampur	7.22
8	Robotic Hardening Productivity improvement (Four Post)	Chiplun	15.85
9	Power pack upgradation in Drill flute grinding operation	Chiplun	2.80
10	Replacing mechanical gear box with hydraulic system in File Cutting operation	Chiplun	1.06
11	Elect. Motor rewinding cost reduction with 0.5 Lacks	Chiplun	0.31

b) **New equipment:**

Various cost saving initiatives taken by installing new equipment at various plants of JKFIL's. These equipment's makes the saving of ₹ 14.16 in FY 2020-21.

Sr no	Cost saving initiatives FY 20-21	Plant	Total savings (Rs. Lacs)
1	New Forklift for Vapi plant	Vapi	1.90
2	Reduction of Bend by usage of Press Quenching Instead of Hand straightening after Hardening of Flat/Mill Files upto 12 inch	Pithampur	12.26

c) **New packaging development:**

Various developments in packing & store consumable in FY 2020-21 made the saving of approximate 0.50 Crore.

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 Development**-

Various cost saving initiatives taken by development of process at various plants of the Company. This development makes the saving of ₹ 18.36 in FY 2020-21.

Sr no	Cost saving initiatives FY 20-21	Plant	Total savings (Rs. Lacs)
1	Wastage Recovery of Zinc through Remelting	Pithampur	4.39
2	Replacing the Zn strip with MS strip for 1st side of Flat in Overcut & 1st Side of Mill in Upcut	Pithampur	2.04
3	To reduce re-processing cost of Bend Files	Chiplun	11.93

Vendor development & rate negotiation Development-

Various initiatives of vendor development & rate negotiation taken at various plants of JKFIL's. This development makes the saving of ₹ 57.90 in FY 2020-21.

Sr. no	Cost saving initiatives FY 20-21	Plant	Total savings (Rs. Lacs)
1	Saving on incentive to contract labor	Vapi	17.92
2	Saving through elimination of Scouring process for sher material	Vapi	0.17
3	Rate negotiation for loading/Unloading	Vapi	1.14
4	Rate reduction in transportation of ETP Sludge and waste disposal	Vapi	4.36
5	Cost effective Sourcing for Furnace oil	Pithampur	6.18
6	Rate Reduction in Fumigation Activity	Pithampur	0.09
7	Sourcing for Consumable Items & Vendor Management	Pithampur	6.60
8	Vendor Price Reconciliation in Hardening Salt CPL	Pithampur	2.68
9	E Auction for Lubricating Oil & Emulsion	Pithampur	2.72
10	cost saving through vendor development for stores , spares & Packing material	Chiplun	16.03

During FY 2020-21, JKFIL's manufacturing engineering team has conducted study for potential areas & technology innovation & development. Based on plant wise analysis following projects are identified & initiated.

1. Multistage grinding machine for improvement in grinding quality & productivity at JKFIL, Vapi.
2. Walking beam system for automation in forging to reduce down the rejection by 1% & improvement in productivity at JKFIL, Vapi.
3. Development in existing cutting machine as well as development of new multi head cutting machine
4. Laser engraving machine to replace the hard stamping from the process.
5. Induction hardening for green environment & improvement in productivity, reduction in consumables.

f) New Product Development :

Developed 8 new products which gave business revenue of 1.2 Cr in FY20-21. Also done additional revenue of 6.6 Cr from the products which were launched in FY20-21.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO-

The Company had Rs.156.04 Cr (Previous Year: 173.22 Cr) earnings in foreign exchange and the outgo in foreign exchange was Rs. 57.48 Cr (Previous Year: 57.88 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 Lacs)

Sr No.	Particulars	
1	Sl. No.	1
2	Name of the subsidiary	JK Talabot Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same reporting Period (1st April 2020 to 31st March 2021)
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A
5	Share capital	805.44
6	Reserves & surplus	1892.87
7	Total assets	3070.56
8	Total Liabilities	372.25
9	Investments	143.17
10	Turnover	2019.03
11	Profit before taxation	144.31
12	Provision for taxation	35.68
13	Profit after taxation	108.63
14	Proposed Dividend	NIL
15	% of shareholding	90%

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

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	-	-	-
Extend of Holding %	-	-	-
3. Description of how there is significant influence	-	-	-
4. Reason why the associate/joint venture is not consolidated	-	-	-
5. Networth attributable to Shareholding as per latest audited Balance Sheet	-	-	-
6. Profit / Loss for the year	-	-	-
i. Considered in Consolidation	-	-	-
i. Not Considered in Consolidation	-	-	-

For and on behalf of the Board of
JK FILES (INDIA) LIMITED

Sd/-
Ganesh Kumar
Director
DIN: 00088163

Sd/-
K. A. Narayan
Director
DIN: 00950589

Sd/-
Srinivasan Ganapathy
Chief Financial Officer

Sd/-
Waqar Siddique
Company Secretary

Place: Mumbai
Date: April 30, 2021

Independent auditor's report

To the Members of JK Files (India) Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of JK Files (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), 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.

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, 2021, 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.

Emphasis of Matter

4. We draw your attention to Note 46 to the financial statements, which explains the uncertainties and the management's assessment of the financial impact due to restrictions and other conditions related to the COVID-19 pandemic situation (including its second wave), for which a definitive assessment of the impact in the subsequent period is dependent upon circumstances as they evolve. Our opinion is not modified in respect of the matter.

Other Information

5. 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

6. 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.

7. 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

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 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.

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 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.

10. 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

11. 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 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 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.

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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, 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 as at March 31, 2021 on its financial position in its financial statements – Refer Note 35 to the financial statements;

ii. The Company has long-term contracts including derivative contracts as at March 31, 2021 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, 2021.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.

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

Sd/-
Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 21112433AAAACF6860

Mumbai
May 3, 2021

Annexure A to Independent Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of JK Files (India) Limited on the financial statements for the year ended March 31, 2021

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 Files (India) Limited ("the Company") as of March 31, 2021 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 issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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 on Audit of Internal Financial Controls Over Financial Reporting (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 Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of JK Files (India) Limited on the financial statements for the year ended March 31, 2021

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 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, 2021, 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 Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-
Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 21112433AAAACF6860

Mumbai
May 3, 2021

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of JK Files (India) Limited on the financial statements as of and for the year ended March 31, 2021

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.

(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 two 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 immovable properties, as disclosed in Note 2(b) on fixed assets to the financial statements, are held in the name of the Company, except for following leasehold land transferred to Company, pursuant to a demerger from Raymond Limited, which is pending registration in the name of the Company:

(Rs. In lakhs)

Location	Type of Immovable Property	Gross Block	Net Block
Chiplun	Leasehold Land	154.79	132.28

ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. 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 material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

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 from the public 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 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, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer Note 35 to the financial statements regarding management's assessment on certain matter 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 dues of duty of customs, duty of excise, service tax and goods and service tax as at March 31, 2021 which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, and value added tax as at March 31, 2021 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
The Central Sales Tax Act, 1956 and Maharashtra Value Added Tax Act, 2002	Sales Tax (VAT and CST)	250.75	2012-13 to 2016-17	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 Maharashtra Value Added Tax Act, 2002	Sales Tax (VAT and CST)	3.76	2010-11	Joint Commissioner (Appeals)
West Bengal Value Added Tax Act, 2003	Sales Tax (VAT)	0.08	2014-15	Sr. Joint Commissioner
The Income Tax Act, 1961	Income Tax	88.98	2010-11 to 2015-16	Commissioner of Income Tax (Appeals)

viii. 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 borrowings to any financial institution or bank or Government. Further, the Company has not issued any debentures and hence the question of default does not arise.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. 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 by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of JK Files (India) Limited on the financial statements for the year ended March 31, 2021

xi. 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. Also refer paragraph 13 of our main audit report.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of 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 (Ind AS) 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 provisions of Clause 3(xiii) of the Order are not applicable to the Company.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him covered within the meaning of section 192 of the Act. Accordingly, the provisions of Clause 3(xv) of the Order 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, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-
Arunkumar Ramdas
Partner

Mumbai
May 3, 2021

Membership Number: 112433
UDIN: 21112433AAAACF6860

J K Files (India) Limited
Balance Sheet as at 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
I	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	2(a)	3,878.73	4,508.79
	(b) Right to Use Assets	2(b)	1,324.79	1,466.83
	(c) Capital work - in - progress		46.33	6.70
	(d) Goodwill		79.41	79.41
	(e) Other Intangible assets	3	4.50	4.76
	(f) Investment in subsidiary	4	724.89	724.89
	(g) Financial assets			
	(i) Loans	5	146.82	142.53
	(ii) Other Financial Asset	6	0.50	0.50
	(h) Deferred tax assets (net)	30	215.52	304.05
	(i) Non Current tax asset (net)		208.48	221.13
	(j) Other non - current assets	7	170.16	236.13
	Total Non-Current Assets		**6,800.13**	**7,695.72**
2	**Current assets**			
	(a) Inventories	8	8,414.33	5,942.91
	(b) Financial assets			
	(i) Trade receivables	9	1,385.62	6,030.54
	(ii) Cash and cash equivalents	10(a)	382.12	6.88
	(iii) Bank balances other than (ii) above	10(b)	-	8.88
	(iv) Loans	5	2,900.25	0.25
	(v) Other financial asset	6	41.26	93.47
	(c) Other current assets	11	2,283.63	1,928.63
	Total Current Assets		**15,407.21**	**14,011.56**
3	**Assets classified as held for sale**	12	105.75	105.75
	TOTAL ASSETS		**22,313.09**	**21,813.03**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	13	3,074.07	3,074.07
	b) Other equity	14	5,486.70	3,170.10
	Total Equity		**8,560.76**	**6,244.17**
2	**Liabilities**			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Lease liabilities	2(b)	1,297.93	1,410.43
	Total Non Current Liabilities		**1,297.93**	**1,410.43**
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	16	1,481.29	3,843.92
	(ii) Lease liabilities	2(b)	112.50	88.91
	(iii) Trade payables	17		
	(a) total outstanding of micro and small enterprises		324.82	94.89
	(b) total outstanding other than (iii) (a) above		5,348.46	5,999.98
	(iv) Other financial liabilities	18	1,904.68	1,803.09
	(b) Provisions	19	629.18	365.70
	(c) Other current liabilities	20	2,653.46	1,961.94
	Total Current Liabilities		**12,454.39**	**14,158.43**
	Total Liabilities		**13,752.32**	**15,568.86**
	TOTAL EQUITY AND LIABILITIES		**22,313.09**	**21,813.03**
	SIGNIFICANT ACCOUNTING POLICIES	1		

The accompanying notes (1 to 47) are an integral part of these financial statements

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
Mumbai
3rd May , 2021

For and on behalf of Board of Directors

Sd/-
Ganesh Kumar Subramanian
Director
DIN: 00088163

Sd/-
K. A. Narayan
Director
DIN:00950589

Sd/-
Srinivasan Ganapathy
Chief Financial Officer

Sd/-
Waqar Siddiqui
Company Secretary

Mumbai
3rd May , 2021

J K Files (India) Limited

Statement of Profit and Loss for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	Year ended 31st March, 2021	Year ended 31st March, 2020
I	**Revenue from operations**	21	34,807.94	37,907.44
II	**Other income**	22	713.54	518.46
III	**Total income (I+II)**		**35,521.48**	**38,425.90**
IV	**Expenses**			
	Cost of raw materials consumed	23	10,734.01	10,655.73
	Purchases of Stock-in-Trade	24	4,253.89	4,112.30
	Changes in inventories of work-in progress, finished goods and Stock-in-Trade	25	(2,250.75)	(216.42)
	Employee benefits expense	26	5,467.67	6,472.04
	Finance costs	27	369.18	719.51
	Depreciation and amortization expense	28	902.99	976.82
	Other expenses	29		
	(a) Manufacturing and operating expenses		9,287.21	9,211.43
	(b) Other expenses		3,466.99	4,638.75
	Total expenses (IV)		**32,231.19**	**36,570.16**
V	**Profit before tax (III-IV)**		**3,290.29**	**1,855.74**
VI	**Tax expense**	**30**		
	Current tax		753.14	473.43
	Deferred tax		88.53	148.67
	Total Tax expenses (VI)		**841.67**	**622.10**
VII	**Profit for the year (V- VI)**		**2,448.62**	**1,233.64**
VIII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	**31**	(171.21)	45.51
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	**30**	39.19	(11.62)
	Other Comprehensive Income for the year		**(132.02)**	**33.89**
IX	**Total Comprehensive Income for the year (VII+VIII)**		**2,316.60**	**1,267.53**
X	**Earnings per equity share of Rs. 10 each**	**33**		
	Basic earnings per share (in Rs.)		28.01	14.11
	Diluted earnings per share (in Rs.)		23.16	11.67
	SIGNIFICANT ACCOUNTING POLICIES	**1**		

The accompanying notes (1 to 47) are an integral part of these financial statements

As per our attached report of even date

For and on behalf of Board of Directors

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Sd/-
Ganesh Kumar Subramanian
Director
DIN: 00088163

Sd/-
K. A. Narayan
Director
DIN:00950589

Sd/-
Arunkumar Ramdas
Partner
Membership No.: 112433
Mumbai
3rd May , 2021

Sd/-
Srinivasan Ganapathy
Chief Financial Officer

Sd/-
Waqar Siddiqui
Company Secretary

Mumbai
3rd May , 2021

J K Files (India) Limited
Statement of Changes in Equity for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

A. Equity Share Capital

Particulars	Amount
As at 1st April , 2019	**3,074.07**
Change in equity share capital during the year	-
As at 31 March, 2020	**3,074.07**
Change in equity share capital during the year	-
As at 31 March, 2021	**3,074.07**

B. Other Equity

Particulars	Reserves & Surplus		Total
	Securities Premium	Retained Earnings	
Balance as at 1st April, 2019	**314.50**	**1,838.40**	**2,152.90**
Change in accounting policy (Refer Note 45)		(250.33)	(250.33)
Restated balance as at 1st April,2019	**314.50**	**1,588.07**	1,902.57
Profit for the year	-	1,233.64	1,233.64
Other Comprehensive Income for the year	-	33.89	33.89
Total Comprehensive Income for the year	-	1,267.53	1,267.53
Balance as at 31st March, 2020	**314.50**	**2,855.60**	**3,170.10**
Profit for the year	-	2,448.62	2,448.62
Other Comprehensive Income for the year	-	(132.02)	(132.02)
Total Comprehensive Income for the year	-	2,316.60	2,316.60
Balance as at 31st March, 2021	**314.50**	**5,172.20**	**5,486.70**

The accompanying notes (1 to 47) are an integral part of these financial statements

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
Mumbai
3rd May , 2021

For and on behalf of Board of Directors

Sd/-
Ganesh Kumar Subramanian
Director
DIN: 00088163

Sd/-
K. A. Narayan
Director
DIN:00950589

Sd/-
Srinivasan Ganapathy
Chief Financial Officer

Sd/-
Waqar Siddiqui
Company Secretary

Mumbai
3rd May , 2021

J K Files (India) Limited

Statement of Cash Flow for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Year ended 31st March, 2021		Year ended 31st March, 2020	
A.	**Cash Flow from Operating Activities**				
	Profit before exceptional items and tax as per statement of profit and loss		3,290.29		1,855.74
	Adjustment for :				
	Depreciation and Amortisation expenses	902.99		976.82	
	Net (gain) on disposal/discard of property, plant and equipment	(2.31)		(3.07)	
	Liabilities no longer required written back	(275.24)		(10.38)	
	Interest income	(181.97)		(75.67)	
	Finance Cost	369.18		719.51	
	Unrealised (gain) on foreign exchange fluctuations	(42.51)		(344.18)	
	Allowances for doubtful debts and advances	(163.04)		(17.23)	
	Remeasurement of net defined benefit plan	(171.21)		45.51	
			435.89		1,291.31
	Changes in Operating Assets & Liabilities		3,726.18		3,147.05
	(Increase) in Inventory	(2,471.42)		(1,085.45)	
	Decrease/(Increase) in Trade & Other receivables	4,649.43		(328.30)	
	Increase in Trade & other Payables	663.86		1,718.42	
	Increase in Provisions	263.48		47.84	
			3,105.35		352.51
			6,831.53		3,499.56
	(Less): Direct Taxes Paid (Net)		(713.04)		(685.70)
			6,118.49		2,813.86
	Net cash flows generated from operating activities		**6,118.49**		**2,813.86**
B.	**Cash Flow from Investing Activities**				
	Inflows				
	Sale Proceeds of property, plant & equipment (including Advances)		11.87		328.91
	Interest received		143.98		75.83
			155.85		404.74
	Outflows				
	Purchase of property, plant & equipment (including capital work-in-progress)		(188.79)		(455.81)
	Inter Corporate Deposit placed with group companies		(2,900.00)		-
			(3,088.79)		(455.81)
	Net cash flows (used in)/generated from investing activities		**(2,932.94)**		**(51.07)**
C.	**Cash Flow from Financing Activities**				
	Inflows				
	Proceeds of short term borrowings (net)		500.00		1,696.20
			500.00		1,696.20
	Outflows				
	Repayment of long term borrowings		-		(3,679.52)
	Repayment of Short term borrowings (net)		(2,862.63)		-
	Interest Paid		(198.59)		(549.24)
	Principal elements of lease payments		(249.09)		(227.28)
			(3,310.31)		(4,456.04)
	Net cash flows (used in)/generated from financing activities		**(2,810.31)**		**(2,759.84)**
	Net Increase in Cash and Cash Equivalents **(A+B+C)**		375.24		2.95
	Add :Cash and Cash Equivalents at the beginning of the financial Year		6.88		3.93
	Cash and Cash Equivalents as at the end of the Year		**382.12**		**6.88**
			382.12		6.88

J K Files (India) Limited

Statement of Cash Flow for the year ended 31st March, 2020
(All amounts are in Rs. lakhs, unless stated otherwise)

Reconcilation of Cash and Cash Equivalents as per Cash Flow Statement	Year ended 31st March, 2021	Year ended 31st March, 2020
Cash and Cash Equivalent as per above comprise of the following		
Cash and Cash Equivalent	382.12	6.88
Balance as per Statement of Cash Flows	382.12	6.88

The accompanying notes (1 to 47) are an integral part of these financial statements

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.

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

Sd/-
Arunkumar Ramdas
Partner
Membership No.: 112433

Sd/-
Ganesh Kumar Subramanian
Director
DIN: 00088163

Sd/-
K. A. Narayan
Director
DIN:00950589

Sd/-
Srinivasan Ganapathy
Chief Financial Officer
Mumbai
3rd May , 2021

Sd/-
Waqar Siddiqui
Company Secretary

Mumbai
3rd May , 2021

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES :

A. Background and Operations

JK Files(India) Limited incorporated in India having registered office at Mumbai and Manufacturing facilities at Ratnagiri, Chiplun, Pithampur and Vapi. The Company is a leading Engineering tools Company.

B. 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 (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 2020:
- Definition of Material – amendments to Ind AS 1 and Ind AS 8
- COVID-19 related concessions – amendments to Ind AS 116

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.

(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 (Division II) to the Act.

(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 (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

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.

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. 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 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.

(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.

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

Trademarks

Trademarks acquired separately are shown at historical cost. Trademarks acquired in business combination are recognised at fair value at the acquistion date. 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:
- Computer Software : 3 years
- Trademark : 10 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

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 . 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 . 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 . The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been presented separately on the face of the Balance Sheet and lease payments have been classified as financing cash flows.

(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.

(g) Inventories

Inventories of Raw Materials, Goods in transit, Work-in-Progress, Stock-in-trade, 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 conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formula used is 'Weighted Average cost'. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

(h) Investment in subsidiary
Investment 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:

* 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) 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.

(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) Income recognition

Interest income

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

(j) Equity

Preference shares, which are Compulsory Convertible are classified as Equity.

(k) Derivative financial instruments

Derivative financial instruments such as forward currency contracts and option contract, 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. Borrowings are subsequently 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) 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.

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.

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 in respect of possible asset that may arise from past event and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events.

(o) Revenue recognition

(i) Revenue from 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 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) 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) Post-employment obligations

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.

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) 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.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred.

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 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

(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.

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) Manufacturing and operating Expenses :

The Company classifies separately manufacturing and operating expenses which are directly linked to manufacturing and service activities of the company.

(v) Impairment of non-financial assets:

Goodwill and 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.

(w) Non- current assets held for sale :

Non-current assets 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.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

1(C) 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 estimates or judgement are:

- Estimation of Defined benefit obligation (Refer Note 31).
- Inventory write down (Refer Note 8).
- Loss allowance (Refer Note 9).

ndia) Limited
ie financial statements for the year ended 31st March, 2021
its are in Rs. lakhs, unless stated otherwise)

Property, Plant and Equipment

	Land Leasehold	Buildings	Plant & machinery	Furniture & fixtures	Vehicles	Office equipment	Comput
Carrying amount							
ce as at 1st April , 2019	**413.23**	**1,540.54**	**5,414.28**	**119.39**	**27.06**	**41.84**	**15**
ment for change in accounting policy (Refer note 45)	(413.23)	-	-	-	-	-	
ons	-	16.22	417.60	5.84	-	9.67	
als	-	-	24.80	-	1.24	2.49	
ce as at 31st March, 2020	**-**	**1,556.76**	**5,807.08**	**125.23**	**25.82**	**49.02**	**15**
ons	-	1.60	115.06	-	-	0.60	
als	-	-	12.57	-	1.29	-	
ce as at 31st March, 2021	**-**	**1,558.36**	**5,909.56**	**125.23**	**24.53**	**49.62**	**17**
nulated Depreciation							
ce as at 1st April , 2019	**24.70**	**235.91**	**2,059.70**	**78.36**	**19.03**	**23.87**	**12**
ment for change in accounting policy (Refer note 45)	(24.70)	-	-	-	-	-	
ons	-	88.57	575.00	12.44	2.20	8.80	
als	-	-	17.28	-	1.02	0.82	
ce as at 31st March, 2020	**-**	**324.48**	**2,617.42**	**90.80**	**20.21**	**31.85**	**12**
ons	-	70.43	660.34	9.04	1.43	6.62	
als	-	-	6.31	-	0.98	-	
ce as at 31st March, 2021	**-**	**394.91**	**3,271.45**	**99.84**	**20.66**	**38.47**	**13**
lock							
ce as at 31st March, 2020	**-**	**1,232.28**	**3,189.66**	**34.43**	**5.61**	**17.17**	**2**

Note 2(b)- Leases

This note provides information for leases where the company is a lessee. The company leases factory premises, offices, warehouses etc . Rental contracts are typically made for fixed periods of 11 months to 5 years, but may have extension options as described in (iii) below.

(i) Amounts recognised in balance sheet
The balance sheet shows the following amounts relating to leases:

Particulars	As at 31st March, 2021	As at 31st March, 2020 *
Right-of-use assets		
Lease hold Land **	376.05	382.29
Buildings	948.74	1,084.54
Total	**1,324.79**	**1,466.83**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Lease Liabilities		
Current	112.50	88.91
Non-current	1,297.93	1,410.43
Total	**1,410.43**	**1,499.34**

Additions to the right-of-use assets during the current financial year were Rs Nil (31st March, 2020 Rs 1218.23 Lakhs).

(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, 2021	Year ended 31st March, 2020
Depreciation charge of right-of-use assets			
Lease hold Land		6.24	6.24
Buildings		135.80	144.93
Total	28	**142.04**	**151.17**

Particulars	Note	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest expense (included in finance costs)	27	160.18	173.86
Expense relating to short-term leases (included in other expenses)	29(b)	181.72	162.80

The total cash outflow for leases for the year ended 31 March 2021 was Rs 430.81 Lakhs (31st March ,2020 Rs 390.08 Lakhs)(including short term lease payments)

(iii) Extension and termination options
Extension and termination options are included in a number of property and equipment leases across the company. These are used to maximise operational flexibility in terms of managing the assets used in the company's operations. The majority of extension and termination options held are exercisable only by the company and not by the respective lessor.

** Leasehold Land of Chiplun Plant is under process of execution in the name of the Company having carrying amount Rs 132.28 lakhs (31st March, 2020 : Rs 134.30 lakhs)

J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 3- Intangible assets

	Computer Software	Brands /trademarks	Total
Gross carrying amount			
Balance as at 1st April , 2019	**37.84**	**1,125.00**	**1,162.84**
Additions	3.64		3.64
Disposals	-	-	-
Balance as at 31st March, 2020	**41.48**	**1,125.00**	**1,166.48**
Additions	3.48	-	3.48
Disposals		-	-
Balance as at 31st March, 2021	**44.96**	**1,125.00**	**1,169.96**
Accumulated Amortisation			
Balance as at 1st April , 2019	**34.72**	**1,000.00**	**1,034.72**
Additions	2.00	125.00	127.00
Disposals	-	-	-
Accumulated Amortisation as at 31st March ,2020	**36.72**	**1,125.00**	**1,161.72**
Additions	3.74	-	3.74
Disposals		-	-
Accumulated Amortisation as at 31st March ,2021	**40.46**	**1,125.00**	**1,165.46**
Net carrying amount			
Balance as at 31st March, 2020	**4.76**	-	**4.76**
Balance as at 31st March, 2021	**4.50**	-	**4.50**

(All amounts are in Rs. lakhs, unless stated otherwise)

Note-4 Investment in subsidiary

	As at 31st March, 2021	As at 31st March, 2020
Unquoted		
Equity instruments at cost		
JK Talabot Limited		
72,48,936 (31st March, 2020: 72,48,936) Equity Shares of Rs.10 each	724.89	724.89
Total	**724.89**	**724.89**
Aggregate value of unquoted investment	**724.89**	**724.89**

Note-5 Loans

	As at 31st March, 2021	As at 31st March, 2020
Non-current		
Security Deposits	146.82	142.53
Total	**146.82**	**142.53**

	As at 31st March, 2021	As at 31st March, 2020
Current		
Loans to related parties (Refer Note 41)	2,900.00	-
Security Deposits	0.25	0.25
	2,900.25	**0.25**

Break-up of security details

	As at 31st March, 2021	As at 31st March, 2020
Loans considered good - Secured	-	-
Loans considered good - Unsecured	3,047.06	142.78
Loans which have significant increase in credit risk	-	-
Loans credit impaired	-	-
Total	**3,047.06**	**142.78**
Loss allowance	-	-
Total Loans	**3,047.06**	**142.78**

Note-6 Other financial assets

	As at 31st March, 2021	As at 31st March, 2020
Non-current		
Margin money deposit with Banks*	0.50	0.50
Total	**0.50**	**0.50**

*Held as lien with Government Department

	As at 31st March, 2021	As at 31st March, 2020
Current		
Receivable from Related party (Refer Note 41)	84.01	174.20
Less: Allowance for doubtful receivable	(83.72)	(83.72)
Interest accrued	40.97	2.99
	41.26	93.47

Break-up of security details

	As at 31st March, 2021	As at 31st March, 2020
Other financial assets considered good - Secured	-	-
Other financial assets considered good - Unsecured	41.76	93.97
Other financial assets Doubtful	83.72	83.72
Other financial assets which have significant increase in credit risk	-	-
Other financial assets credit impaired	-	-
Total	**125.48**	**177.69**
Loss allowance	**(83.72)**	**(83.72)**
Total Other financial assets	**41.76**	**93.97**

Note-7 Other non-current assets

	As at 31st March, 2021	As at 31st March, 2020
Capital advances	28.80	20.55
Less: Allowance for doubtful advances	(3.77)	(3.77)
VAT refundable	82.30	151.52
Deposits with government authorities	62.83	67.83
Total	**170.16**	**236.13**

J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-8 Inventories
(Cost or Net Realisable value,whichever is lower)

	As at 31st March, 2021	As at 31st March, 2020
Raw materials	1,256.60	1,080.57
Raw material in transit	167.93	178.06
Work-in-progress	2,070.90	1,446.41
Finished goods	3,402.04	1,809.13
Stock-in-trade	900.78	908.71
Stock-in-trade in transit	149.84	108.56
Stores and spares	466.24	411.47
Total	**8,414.33**	**5,942.91**

Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Write-down of inventories amounted to Rs. (272.88) lakhs for the year ended 31st March, 2021 (write-down Rs. (211.45) lakhs for the year ended 31st March,2020). These write-downs were recognised as 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 statement of Profit and Loss.

Note-9 Trade receivables

	As at 31st March, 2021	As at 31st March, 2020
Receivables from related parties (Refer note 41)	304.79	384.44
Others	1,521.86	6,250.16
Less: Allowance for doubtful receivables	(441.03)	(604.06)
Total receivables	**1,385.62**	**6,030.54**

Break-up of security details

	As at 31st March, 2021	As at 31st March, 2020
Secured, considered good	131.86	245.29
Unsecured, considered good	1,253.76	5,785.25
Doubtful	441.03	604.06
Receivables which have significant increase in credit risk	-	-
Receivables credit impaired	-	-
Total	**1,826.65**	**6,634.60**
Allowance for doubtful receivables	**(441.03)**	**(604.06)**
Total trade receivables	**1,385.62**	**6,030.54**

Refer Note-38 for information about credit risk and market risk of trade receivable.

Note-10 (a) Cash and cash equivalents

	As at 31st March, 2021	As at 31st March, 2020
Balances with Banks		
- In current accounts	339.42	3.40
- In Cash Credit	40.63	1.16
Cash on hand	2.07	2.32
Total	**382.12**	**6.88**

Note-10 (b) Bank balances other than 10(a) above

	As at 31st March, 2021	As at 31st March, 2020
Deposits with maturity of more than three months	-	8.88
Total	**-**	**8.88**

Note-11 Other current assets

	As at 31st March, 2021	As at 31st March, 2020
Export benefit receivables	509.49	567.50
GST receivable/refundable	1,138.22	916.33
Advances to suppliers	529.59	359.75
Prepaid expenses	71.95	62.03
Advance recoverable in kind or for value to be received	34.40	23.02
Total	**2,283.63**	**1,928.63**

Note-12 Assets classsified as held for sale

	As at 31st March, 2021	As at 31st March, 2020
Land - Freehold	35.47	35.47
Building	70.28	70.28
Total	**105.75**	**105.75**

In FY 17-18, the company has closed its plant at Kolkata, on account of which, during the previous year, the Company has decided to sell its remaining assets (land and building) having book value of Rs 105.75 lakhs located at Kolkata. The Company has partially received advance of Rs 1324.98 Lakhs (Previous year Rs. 1322 lakhs) against proposed sale of these assets. The said amount is shown under Note 20 'Other current liabilities'. The land and building are carried at book value in accordance with 'Ind AS 105 - Non current asset held for sale and discontinued operations' being lower than the fair value less cost to sell.

The Company is in process of obtaining necessary government clearances to exceute sale.

J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-13 Equity Share capital

	As at 31st March, 2021	As at 31st March, 2020
Authorised		
1,70,00,000 [31st March, 2020 : 1,70,00,000] Equity Shares of Rs. 10 each	1,700.00	1,700.00
22,00,000 [31st March, 2020 : 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		
87,40,658 [31st March, 2020 : 87,40,658] Equity Shares of Rs. 10 each	874.07	874.07
22,00,000 [31st March,2020: 22,00,000] 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100 each	2,200.00	2,200.00
Total	**3,074.07**	**3,074.07**

a) Reconciliation of number of preference shares

	As at 31st March, 2021		As at 31st March, 2020	
	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
Balance as at the end of the year	**87,40,658**	**874.07**	**87,40,658**	**874.07**
Instruments entirely equity in nature				
Preference share:				
Balance as at the beginning of the year	22,00,000	2,200.00	22,00,000	2,200.00
Balance as at the end of the year	**22,00,000**	**2,200.00**	**22,00,000**	**2,200.00**

b) Right, Preference and Restrictions attached to shares:

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. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference shares: 9% Non-cummulative compulsory convertible preference shares (NCCCPS) will be converted into 18,33,300 number of equity shares of Rs. 10 each on October 27, 2029. Each shareholder of is entitled to one vote per share only on resolutions placed before the Company which directly affects their rights attached to NCCCPS. The dividend proposed by the Board of Directors is subject to approval of shareholders. The Company has an option to redeem the shares at par. In the event of liquidation of the Company, the holders of NCCCPS will have priority over equity shares in payment of dividend and repayment of capital.

c) Shares of the company held by holding company

	As at 31st March, 2021	As at 31st March, 2020
Equity Shares:		
Raymond Limited, India and its nominees	87,40,658	87,40,658
Preference Shares:		
Raymond Limited, India	22,00,000	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, 2021		As at 31st March, 2020	
	Number of shares	% of Holding	Number of shares	% of Holding
Equity Shares :				
Raymond Limited, India and its nominees	87,40,658	100%	87,40,658	100%
Preference Shares :				
Raymond Limited, India	22,00,000	100%	22,00,000	100%

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 14 Other Equity

	Reserves & Surplus		Total
	Securities Premium	Retained Earnings	
Balance as at 1st April, 2019	**314.50**	**1,838.40**	**2,152.90**
Change in accounting policy (Refer Note 45)	-	(250.33)	(250.33)
Restated balance as at 1st April,2019	**314.50**	**1,588.07**	**1,902.57**
Profit for the year	-	1,233.64	1,233.64
Other Comprehensive Income for the year	-	33.89	33.89
Total Comprehensive Income for the year	-	1,267.53	1,267.53
Balance as at 31st March, 2020	**314.50**	**2,855.60**	**3,170.10**
Profit for the year	-	2,448.62	2,448.62
Other Comprehensive Income for the year	-	(132.02)	(132.02)
Total Comprehensive Income for the year	-	2,316.60	2,316.60
Balance as at 31st March, 2021	**314.50**	**5,172.20**	**5,486.70**

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.

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 16 - Current borrowings

	Maturity date	Terms of repayments	Interest Rate	As at 31st March, 2021	As at 31st March, 2020
Loans repayable on demand					
Secured					
From banks					
- Cash Credit	Payable on demand	Payable on demand	8.20% ~8.55%	331.29	2,945.57
- Indian Rupee Packing credit	28th April,21	Single repayment at end of term	5.20%	400.00	400.00
- Indian Rupee Packing credit	20th April,21	Single repayment at end of term	7.62%	250.00	400.00
- Working Capital Demand Loan (WCDL)	19th November ,21	Single repayment at end of term	7.30%	500.00	-
(The above borrowings are secured by way of first pari passu charge on all current assets of the Company)					
Unsecured					
From banks					
'-Commercial Credit Cards	Payable on demand	Single repayment at end of 45 days	10.54%	-	98.35
Total				**1,481.29**	**3,843.92**

The carrying amounts of financial and non-financial assets as security for secured borrowings are disclosed in Note 34 - Assets pledged as security

Net debt reconciliation	As at 31st March, 2021	As at 31st March, 2020
Cash and cash equivalents	(382.12)	(6.88)
Current Borrowings	1,481.29	3,843.92
Interest accrued but not due on borrowings	1.82	3.14
Lease liabilities	1,410.43	1,499.34
Net debt	**2,511.41**	**5,339.52**

	Other assets	Liabilities from financing activities			
	Cash and Cash equivalents	Lease Obligations	Non current borrowings (Including current maturities of long term debt and interest accrued)	Current borrowings	Total
Net Debt as at April 1, 2019	**3.93**	-	**3,686.25**	**2,147.72**	**5830.04**
Recognised on adoption of Ind AS 116 (see note 45)		**1,552.76**			**1552.76**
Net debt as at 1 April 2019 (restated)	**3.93**	**1552.76**	**3686.25**	**2147.72**	**7382.80**
Cash flows	2.85	(227.28)	(3,676.88)	1,693.56	(2,213.45)
Interest expense	-	173.86	236.39	309.26	719.51
Interest paid	-	-	(242.62)	(306.62)	(549.24)
Interest received on deposits	0.10		-	-	(0.10)
Net Debt as at March 31, 2020	**6.88**	**1,499.34**	**3.14**	**3843.92**	**5339.52**
Net Debt as at March 31, 2020	**6.88**	**1,499.34**	**3.14**	**3843.92**	**5339.52**
Cash flows	354.41	(249.09)	-	(2,374.36)	(2,977.86)
Interest expense	-	160.18	9.61	199.39	369.18
Interest paid	-	-	(10.93)	(187.66)	(198.59)
Interest received on deposits	20.84		-	-	(20.84)
Net Debt as at March 31, 2021	**382.12**	**1410.43**	**1.82**	**1481.29**	**2,511.41**

J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-17 - Trade payables

	As at 31st March, 2021	As at 31st March, 2020
Trade payables (Refer Note below)		
- Payable to related parties (Refer note 41)	644.67	384.48
- Micro and small enterprises (Refer note 32)	324.82	94.89
- Others	4,703.79	5,615.50
Total	**5,673.28**	**6,094.87**

Refer Note-38 for information about liquidity risk and market Risk of trade payables.

J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-18 - Other current financial liabilities

	As at 31st March, 2021	As at 31st March, 2020
Interest accrued but not due on borrowings	1.82	3.14
Capital creditors	11.70	15.41
Deposits from dealers, agents etc.	588.58	638.83
Employee Benefits payable	1,264.22	1,103.53
Other payables	32.87	40.58
Mark to Market of derivative financial instruments (Refer Note 38)	5.50	1.60
Total	**1,904.68**	**1,803.09**

Refer **Note-38** for information about Liquidity risk of Financial Liabilities

Note-19 - Provisions

	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits (Refer note 31)		
-Gratuity	262.71	50.69
-Compensated absences	366.47	315.01
Total	**629.18**	**365.70**

Note 20-Other Current liabilities

	As at 31st March, 2021	As at 31st March, 2020
Contract Liabilities	858.89	188.90
Advance against Sale of Land and Building (Refer note 12)	1324.98	1,322.00
Statutory dues payable	176.94	155.80
Refund Liabilities	74.87	63.50
Stamp Duty Payable	177.80	177.80
Other Payables	39.98	53.94
Total	**2,653.46**	**1,961.94**

(All amounts are in Rs. lakhs, unless stated otherwise)

Note-21 Revenue from Operations

	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue from Contract with Customers (Sale of Products)		
(i) Manufactured goods - Domestic	13,597.44	14,095.49
(ii) Manufactured goods - Export	14,839.52	16,614.44
(iii) Stock-in trade- Domestic	4,630.64	5,047.82
(iv) Stock-in trade- Export	700.72	587.64
Total (A)	**33,768.32**	**36,345.39**
Revenue from Contract with Customers (Sale of Services)	78.60	102.63
Total (B)	**78.60**	**102.63**
Other operating revenue		
(i) Export Incentives	489.55	1,061.29
(ii) Process waste sale	471.47	398.13
Total (C)	**961.02**	**1,459.42**
Total	**34,807.94**	**37,907.44**

Note:

There are no unstatisfied performance obligations resulting from Revenue from Contracts with Customers as at March 31, 2021.

Reconciliation of revenue recongnised with contract price:

	Year ended 31st March, 2021	Year ended 31st March, 2020
Contract price	35,611.51	38,295.28
Adjustments for :		
Discounts, Rebates, Sales related Schemes, etc.	(1,764.59)	(1,847.27)
Revenue from contract with customers	**33,846.92**	**36,448.02**

Note-22 Other income

	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest income	181.97	75.67
Liabilities no longer required written back	275.24	10.38
Write back of Loss Allowances (Net)	159.79	17.23
Net gain on foreign exchange fluctuations	4.94	364.43
Net gain on disposal/discard of property, plant and equipment	2.31	3.07
Miscellaneous Income	89.29	47.68
Total	**713.54**	**518.46**

Note-23 Cost of raw materials consumed

	Year ended 31st March, 2021	Year ended 31st March, 2020
Raw material at the beginning of the year	1,258.63	464.07
Purchases	10,899.91	11,450.29
Less : Raw material at the end of the year	1,424.53	1,258.63
Total	**10,734.01**	**10,655.73**

Note-24 Purchases of Stock-in-Trade

	Year ended 31st March, 2021	Year ended 31st March, 2020
Purchases of Stock-in-Trade	4,253.89	4,112.30
Total	4,253.89	**4,112.30**

Note-25 Changes in inventories of work-in-progress , finished goods and stock-in-trade

	Year ended 31st March, 2021	Year ended 31st March, 2020
Opening inventories		
Work-in-progress	1,446.41	1,213.16
Finished goods	1,809.13	1,560.95
Stock-in-trade	1,017.27	1,282.28
	4,272.81	**4,056.39**
Closing 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**
Total	**(2,250.75)**	**(216.42)**

J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2021

Note-26 Employee benefits expense

	Year ended 31st March, 2021	Year ended 31st March, 2020
Salaries and wages	4,828.75	5,682.45
Defined benefit plan expense (Refer note 31)	106.05	97.01
Contribution to provident and other funds (Refer note 31)	313.24	344.88
Workmen and Staff welfare expenses	219.63	347.70
Total	**5,467.67**	**6,472.04**

Note-27 Finance costs

	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest expense on term loan	9.61	236.39
Interest on lease obligation - Others (Refer note 45)	160.18	173.86
Interest on shortfall of advance tax	11.73	5.95
Interst expense - Others	185.51	295.97
Other borrowing costs	2.15	7.34
Total	**369.18**	**719.51**

Note-28 Depreciation and amortization expense

	Year ended 31st March, 2021	Year ended 31st March, 2020
Depreciation on property, plant and equipment	757.21	698.65
Depreciation on Right to Use Asset (Refer note 45)	142.04	151.17
Amortization on Intangible assets	3.74	127.00
Total	**902.99**	**976.82**

Note-29 (a) Manufacturing and Operating expenses

	Year ended 31st March, 2021	Year ended 31st March, 2020
Consumption of stores and spare parts	3,011.19	2,990.92
Power and fuel	1,531.68	1,704.67
Job work charges	2,712.55	2,343.85
Payment to labour contractor	1,494.42	1,544.67
Repairs to buildings	45.35	62.05
Repairs to machinery	315.05	380.90
Other Manufacturing and Operating expenses	176.96	184.37
Total	**9,287.21**	**9,211.43**

Note-29 (b) Other expenses

	Year ended 31st March, 2021	Year ended 31st March, 2020
Rent	181.72	162.80
Insurance	109.64	112.04
Repairs & Maintainence Others	70.61	69.85
Rates and Taxes	25.74	175.60
Commission to selling agents	709.96	891.76
Freight, Octroi, etc	829.77	826.91
Legal and Professional Expenses	269.18	359.53
IT outsourced Support Services	148.92	208.63
Travelling & Conveyance	91.47	387.47
Advertisement Expenses	5.59	95.51
Sales Promotion expenses	97.67	158.96
Director Fees	3.00	16.00
Facility Charges (Refer note 41)	346.36	480.00
Corporate Social Responsibilty (Refer note 44)	35.02	14.00
Bad Debts written off	3.24	11.84
Less: Allowances there against	(3.24)	(11.84)
Software expenses	44.26	47.92
Security charges	138.28	128.07
Communication expenses	34.59	31.79
Printing and stationery expenses	38.43	46.88
Motor car expenses	63.00	70.85
Miscellaneous expenses	223.78	354.18
Total	**3,466.99**	**4,638.75**

Note-29 (c) Details of Auditor's remuneration included in Legal and Professional expenses (net of credit of taxes)

	Year ended 31st March, 2021	Year ended 31st March, 2020
a) Audit Fees	9.00	12.00
b) Limited Review Fees	3.00	3.00
c) Certification Fees	0.60	0.50
d) Reimbursement of out-of-pocket expenses	0.14	0.60
Total	**12.74**	**16.10**

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 30: Income Taxes

Tax expense recognised in the Statement of Profit and Loss

	As at 31st March, 2021	As at 31st March, 2020
Current tax		
Current year	753.14	473.43
Adjustments for prior periods	-	-
Total current tax	**753.14**	**473.43**
Deferred tax		
Deferred tax charge	88.53	148.67
Total deferred tax	**88.53**	**148.67**
Total income tax expense	**841.67**	**622.10**

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, 2021	As at 31st March, 2020
Profit /(loss) before tax	3,290.29	1,855.74
Enacted income tax rate in India	**25.17%**	**25.17%**
Tax Expense at enacted income tax rate	828.10	467.05
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Permanent disallowances	11.63	56.80
Change In Tax Rate	-	90.35
Others	1.94	7.90
Total income tax expense	**841.67**	**622.10**

Consequent to reconciliation items shown above, the effective tax rate is 25.58% (2019-20: 33.52%)

The movement in deferred tax assets and liabilities during the year ended 31st March, 2020 and 31st March, 2021

Movement during the year ended 31st March, 2021	**As at 1st April, 2019**	**Adjustment on adoption of Ind AS 116 (see note 45)**	**As at 1 April 2019 (Restated)**	**Credit/(charge) in Statement of Profit and Loss**	**As at 31st March, 2020**	**Credit/(charge) in Statement of Profit and Loss**	**As at 31st March, 2021**
Deferred tax assets on account of :							
Provision for employee benefits	105.90	-	105.90	(26.61)	79.29	12.95	92.24
Allowances for doubtful debts and advances	250.48	-	250.48	(76.16)	174.32	(42.24)	132.08
VRS paid	622.49	-	622.49	(329.18)	293.31	(155.00)	138.31
Right-of-use Assets and Lease Liabilties (Refer Note 45)		84.20	84.20	20.21	104.41	11.80	116.21
Others	79.98	-	79.98	(22.53)	57.45	-	57.45
Deferred tax (liabilities) on account of:							
Depreciation on Property Plant and Equipment	(411.85)	-	(411.85)	159.39	(252.46)	67.13	(185.33)
Depreciation on Revaluation Asset under Business Combination	(278.47)	-	(278.47)	126.21	(152.26)	16.83	(135.43)
Total	**368.52**	**84.20**	**452.72**	**(148.67)**	**304.05**	**(88.53)**	**215.52**

There are no material unrecognised deferred tax assets as at 31st March, 2021.

J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

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 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.

As per Actuarial Valuation as on 31st March, 2020 and 31st March, 2021, amount recognised in the financial statements in respect of Employee Benefit Schemes:

A. Balance Sheet

	Gratuity	
	As at 31st March, 2021	As at 31st March, 2020
Present value of plan liabilities	(2,211.13)	(1,966.18)
Fair value of plan assets	1,948.42	1,915.49
Plan liability net of plan assets	**(262.71)**	**(50.69)**

B. Movements in plan assets and plan liabilities

	As at March,21			As at March,20		
	Plan liabilities	Plan Assets	Net	Plan liabilities	Plan Assets	Net
As at 1st April	**(1,966.18)**	**1915.49**	**(50.69)**	**(1,935.80)**	**1,921.61**	**(14.19)**
Current service cost (including past service cost)	(102.58)	-	**(102.58)**	(95.94)	-	**(95.94)**
Return on plan assets excluding actual return on plan asset	-	(2.91)	**(2.91)**	-	(9.80)	**(9.80)**
Interest cost	(134.49)	-	**(134.49)**	(145.95)	-	**(145.95)**
Interest income		131.02	**131.02**		144.88	**144.88**
Actuarial gain/(loss) arising from changes in financial assumptions	2.89	-	**2.89**	161.44	-	**161.44**
Actuarial gain/(loss) arising from experience adjustments	(171.19)	-	**(171.19)**	(106.13)	-	**(106.13)**
Employer contributions	7.11	58.13	**65.24**	-	15.00	**15.00**
Benefit payments	153.31	(153.31)	-	156.20	(156.20)	**-**
As at 31st March	**(2,211.13)**	**1,948.42**	**(262.71)**	**(1,966.18)**	**1,915.49**	**(50.69)**

The liabilities are split between different categories of plan participants as follows:
• Active members -1126 Nos. (2019-20: 1180 Nos.)
• Deferred members - Nil (2019-20: Nil)
• Retired members - Nil (2019-20: Nil)

C. The Company expects to contribute Rs. 209.78 lakhs to the funded plans in financial year 2021-22 (2020-21: Rs. 153.27 lakhs) for gratuity

D. Statement of Profit and Loss

	Year ended 31st March, 2021	Year ended 31st March, 2020
Employee Benefit Expenses:		
Current service cost (including past service cost)	102.58	95.94
	102.58	**95.94**
Interest Cost	3.47	1.07
Net impact on the Profit before tax	**106.05**	**97.01**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding actual return on plan asset	(2.91)	(9.80)
Actuarial gains/(losses) arising from changes in financial assumptions	2.89	161.44
Actuarial gain/(loss) arising from experience adjustments	(171.19)	(106.13)
Net impact on the Other Comprehensive Income before tax	**(171.21)**	**45.51**

E. Assets

	Gratuity	
	As at 31st March, 2021	As at 31st March, 2020
Insurer managed fund	1948.42	1915.49
Total	**1948.42**	**1915.49**

F. 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, 2021	As at 31st March, 2020
Financial Assumptions		
Discount rate	6.86%	6.84%
Salary Escalation Rate	3%~7.5%	4%~6%
Atrrition rate	2.00%	2.00%

Demographic Assumptions

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, 2021		As at 31st March, 2020	
	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%	(136.12)	153.14	(124.78)	140.01
Salary Escalation Rate	1%	151.16	(136.96)	138.54	(108.57)
Attrition rate	1%	(3.94)	4.51	(1.41)	1.86

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, 2021 as follows:

	Defined benefit obligation	
Gratuity :	**As at 31st March, 2021**	**As at 31st March, 2020**
2021	-	115.11
2022	126.27	74.42
2023	138.25	177.76
2024	223.03	211.23
2025	218.50	205.68
2026	240.63	1,245.62
Thereafter	2,893.14	1,396.13

Risk Exposure - Asset Volatility

The plan liabilities are calculated using a discount rate set with refrence to bond yields; if plan asset underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities. These are subject to interest rate risk and the fund manages interest rate risk derivatives to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternatives investments % which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit.

(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 period towards defined contribution plan is Rs. 313.24 lakhs (31st March, 2020 - Rs. 344.88 lakhs).

(iii) Compensated absences:

The leave obligations cover the Company's liability for sick and earned leave.

The amount of the provision of Rs 366.47lakhs (31st March, 2020 – Rs. 315.01 lakhs) 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-32 The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 are as follows.

	As at 31st March, 2021	As at 31st March, 2020
Principal amount due to suppliers registered under MSME Act and remaining unpaid as at year end	323.85	94.89
Interest due thereon to suppliers registered under the MSMED Act and remaining unpaid as at the year end	-	-
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	-	-
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 remanining 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 expnediture under section 23 of the MSMED Act	-	-

Note 33 Earnings per share

		Year ended 31st March, 2021	Year ended 31st March, 2020
Basic Earnings Per Share has been computed as under:			
Profit/(Loss) for the year	A	2,448.62	1,233.64
Weighted average number of equity shares outstanding	B	87,40,658	87,40,658
Earnings Per Share (Rs.)	A/B	28.01	14.11
Diluted			
Profit/(Loss) for the year		2,448.62	1,233.64
Adjusted Profit/(Loss) for the year	C	2,448.62	1,233.64
Weighted average number of shares (in numbers)		87,40,658	87,40,658
Add: Dilutive potential equity share (Refer Note 13)		18,33,300	18,33,300
Weighted average number of equity shares for dilutive EPS	D	1,05,73,958	1,05,73,958
Dilutive Earnings Per Share (Rs.)	C/D	23.16	11.67
Nominal value per equity share (in Rs.)		10.00	10.00

Note 34 :Assets Hypothecated as security

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

	As at 31st March,2021	As at 31st March,2020
Current Assets		
Financial Assets		
Floating Charge		
Trade receivables	1,385.62	6,030.54
Inventories	8,414.33	5,942.91
Cash and cash equivalents	382.12	6.88
Others financial asset	41.26	93.47
Other current assets	2,283.63	1,928.63
Total Current assets given as security	**12,506.96**	**14,002.43**
Non Current Assets		
First Charge		
Plant and machinery	2,638.11	3,189.66
Furniture & fixtures	25.40	34.43
Vehicles	3.87	5.61
Office equipment	11.15	17.17
Computers	36.76	29.64
Total non-current assets Hypothecated as security	**2,715.29**	**3,276.52**
Total assets Hypothecated as security	**15,222.25**	**17,278.95**

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 35: Contingent liabilities (to the extent not provided for)

	As at 31st March,2021	As at 31st March,2020
Contingent Liabilities		
(i) Claims against the Company not acknowledged as debts in respect of:		
Income Tax Matters	110.66	110.66
Sales tax Matters	299.69	251.01
Excise and service tax Matters	26.38	26.38
Other Matters	130.05	116.01

(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 availible information. The uncertainities are depedent on the outcome of different legal process. The timing of cash flows will be determinable only on receipt of judgement / decisions pending with variouse 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,2021	As at 31st March,2020
Property, plant and equipment	45.91	54.37
Less: Capital advances	28.80	20.55
Net Capital commitments	**17.11**	**33.82**

J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 37: 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 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.

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 3	
Financial Assets													
Loans	146.82	2,900.25	3,047.07	-	-	-	-	-	-	-	-	3,047.07	3,047.07
Other Financial Assets	0.50	41.26	41.76	-	-	-	-	-	-	-	-	41.76	41.76
Trade receivable	-	1,385.62	1,385.62	-	-	-	-	-	-	-	-	1,385.62	1,385.62
Cash and Cash equivalents	-	382.12	382.12	-	-	-	-	-	-	-	-	382.12	382.12
	147.32	**4,709.25**	**4,856.57**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,856.57**	**4,856.57**
Financial Liabilities													
Borrowings	-	1,481.29	1,481.29	-	-	-	-	-	-	-	-	1,481.29	1,481.29
Other Financial Liabilities	-	1,904.68	1,904.68	-	-	-	-	-	-	-	-	1,904.68	1,904.68
Trade Payables	-	5,673.28	5,673.28	-	-	-	-	-	-	-	-	5,673.28	5,673.28
	-	**9,059.25**	**9,059.26**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**9,059.26**	**9,059.26**

Financial Assets and Liabilities as at 31st March, 2020				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 3	
Financial Assets													
Loans	142.53	0.25	142.78	-	-	-	-	-	-	-	-	142.78	142.78
Other Financial Assets	0.50	93.47	93.97	-	-	-	-	-	-	-	-	93.97	93.97
Trade receivable	-	6,030.54	6,030.54	-	-	-	-	-	-	-	-	6,030.54	6,030.54
Cash and Cash equivalents	-	6.88	6.88	-	-	-	-	-	-	-	-	6.88	6.88
	143.03	**6,131.13**	**6,274.17**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6,274.17**	**6,274.17**
Financial Liabilities													
Borrowings	-	3,843.92	3,843.92	-	-	-	-	-	-	-	-	3,843.92	3,843.92
Other Financial Liabilities		1,803.09	1,803.09	-	-	-	-	-	-	-	-	1,803.09	1,803.09
Trade Payables		6,094.87	6,094.87	-	-	-	-	-	-	-	-	6,094.87	6,094.87
	-	**11,741.88**	**11,741.88**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**11,741.88**	**11,741.88**

Notes:-
Financial asset and liabilities, considering the nature of rights and obligations with relevant terms including receivable/payable within 12 months from the reporting date, fair value is reasonable considered to be carrying amount as at reporting date and it includes

- Trade Receivale
- Cash and Cash equivalents
- Other financial asset
- Trade Payable
- Other financial liabilities
- Current borrowings
- Advances

Further in respect of long term security deposits being market driven rate of interest and other deposits with no fixed maturity date, fair value are considered to be carrying value

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 38 : Financial risk management objectives

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 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 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.

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.

a) Exposure to interest rate risk

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total borrowings	1,481.29	3,843.92
% of Borrowings bearing variable rate of interest	22%	100%

b) Interest rate sensitivity
A change of 50 bps in interest rates would have following Impact on profit before tax

	2020-2021	2019-2020
50 bp increase would decrease the profit before tax by	7.41	30.80
50 bp decrease would Increase the profit before tax by	(7.41)	(30.80)

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.

Derivative instrument and and unhedged foreign currency exposure (Refer note 39)

Foreign Currency Risk Sensitivity

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

(All amounts are in Rs. lakhs, unless stated otherwise)

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.

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.

i) Ageing of Account receivables

	As at 31st March, 2021	As at 31st March, 2020
Not due	1,359.07	2,807.66
0-3 months	57.61	1,251.16
3-6 months	5.55	2,004.86
6-12 months	0.36	93.87
beyond 12 months	404.06	477.05
Total	1,826.65	6,634.60

ii) Movement in provision for doubtful Trade Receivables

	As at 31st March,2021	As at 31st March,2020
Opening provision	604.06	633.13
Less:- Provision write off/reversed	(159.79)	(17.23)
Less:- Provision utilised against bad debts	(3.24)	(11.84)
Closing provision	441.03	604.06

iii) Movement in provision for doubtful Receivables

	As at 31st March,2021	As at 31st March,2020
Opening provision	83.72	83.51
Add:- Additional provision made	-	0.21
Closing provision	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, 2021	As at 31st March, 2020
Variable Borrowing -Cash Credit expires within 1 year	4,718.71	2,356.08

The bank 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

Maturity patterns of borrowings

	As at31st March, 2021				As at31st March, 2020			
	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)	-	-	-	-	-	-	-	-
Short term borrowings	1,481.29	-	-	1,481.29	3,843.92	-	-	3,843.92
Total	**1,481.29**	**-**	**-**	**1,481.29**	**3,843.92**	**-**	**-**	**3,843.92**

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 2021					
Trade Payable	2,068.23	1,237.32	2,367.73	-	5,673.28
Capital creditors	11.70	-	-	-	11.70
Employee benefits payable	341.28	473.47	384.20	65.27	1,264.22
Deposits	10.00	15.00	35.00	528.58	588.58
Other Financial liability (Current and Non Current)	34.69	-	-	-	34.69
Mark to Market of derivative financial instruments	5.50				5.50
	2,471.40	1,725.79	2,786.93	593.85	7,577.97
As at 31st March 2020					
Trade Payable	1,342.40	2,228.52	2,523.94	-	6,094.86
Capital creditors	15.41	-	-	-	15.41
Employee benefits payable	392.79	645.47	-	65.26	1,103.52
Deposits	-	-	-	638.83	638.83
Other Financial liability (Current and Non Current)	40.58	-	-	-	40.58
Mark to Market of derivative financial instruments	1.60				1.60
Total	1,792.78	2,873.99	2,523.94	704.09	7,894.80

J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note -39: Derivative instruments and unhedged foreign currency exposure

(a) Foreign Currency Exposure as at the reporting date

Particulars	As at 31 March , 2021						
	USD (in Mn.)	In Rs	EUR (in Mn.)	In Rs	GBP (in Mn.)	In Rs	Total (In Rs.)
A.Trade Recievable	5.42	4,068.94	0.59	508.64	-	-	-
B.Cover by Forwards	(3.30)	(2,516.19)			-	-	-
C.Unhedged Exposure	**2.12**	**1,552.75**	**0.59**	**508.64**	-	-	-

Particulars	As at 31 March, 2020						
	USD (in Mn.)	In Rs	EUR (in Mn.)	In Rs	GBP (in Mn.)	In Rs	Total (In Rs.)
A.Trade Recievable	5.21	3,938.48	1.79	1,476.95	0.01	5.35	5,420.78
B.Cover by Forwards	-	-	(0.20)	(161.58)	-	-	(161.58)
C.Unhedged Exposure	**5.21**	**3,938.48**	**1.59**	**1,315.37**	**0.01**	**5.35**	**5,259.20**

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

J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-40 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. We consider the amount of capital in proprtion to risk and manage the capital structure in light of changes in economic conditions and risk charecterstics 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 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.

(b) Dividend

The Company has not paid any dividend for the current year as well as previous year.

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

(b) **Subsidiary Company**
JK Talabot Limited

Other related parties with whom transactions have taken place during the period:

(c) **Fellow Subsidiary Companies**
Raymond (Europe) Limited
Ring Plus Aqua Limited
Raymond Apparel Limited
Raymond UCO Denim Limited

(d) **Associate Enterprises**
P. T. Jaykay Files Indonesia
PT. Jaykay International Indonesia (Subsidiary)
J K Helene Curtis Ltd

Other related parties:

(e) **Key Management Personnel :**
Whole time Director : Mr. Ganesh Kumar Subramanian (till 31st May ,2020)
Chief Executive Office : Mr. Hukumchand Lakhotiya (w.e.f 7th January,2021)
Independent director : Mr. Narayan Ramalingam (till 12th February,2020)
Independent director : Mr. Ramchandra Anant Prabhudesai (till 12th February,2020)
Independent Director : Mrs. Rashmi Mundada Brijgopal
Independent director : Mr. Ravikant Uppal (w.e.f 25thApril,2019)
Non executive director : Mr. Krishnan Ashwath Narayan

(f) **Trust**
JK Files (India) Limited - Employees Gratuity Scheme

JK Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2021
(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 31st March , 2021, in ordinary course of business :

Nature of transactions	Referred in 1(a) above	Refered in 1 (b) & (c) above	Redered in 1 (d) above	Redered in 1 (e) above	Redered in 1 (f) above
Purchases :					
Purchase of raw material and stock-in-trade	- -	**1,781.63** (2,003.42)	- (1.00)	- -	- -
Purchase of DEPB licence	- -	**5.65** (72.11)	- -	- -	- -
Fixed Assets	- -	**54.27** -	- -	- -	- -
Sales :					
Sale of products	- -	**625.81** (637.88)	- -	- -	- -
Property, plant and equipment	- -	**5.45** (0.91)	- -	- -	- -
Expenses :					
Rent expenses	**145.42** (145.42)	- -	- -	- -	- -
Facility Charges	**346.36** (480.00)	- -	- -	- -	- -
Managerial remuneration	- -	- -	- -	**61.31** (261.17)	- -
Directors fees	- -	- -	- -	**3.00** (15.00)	- -
Electricity charges	**16.81** (48.87)	- -	- -	- -	- -
Legal and Professional Expenses	**14.72** (35.82)	- -	- -	**13.00** (16.00)	- -
Miscellaneous expenses	**55.11** (52.30)	**0.02** -	- -	- -	- -
Paid to trust - Employees Gratuity fund contribution	- -	- -	- -	- -	**58.13** (15.00)
Other Receipts :					
Cost of shared manpower	- (3.25)	**10.50** (15.82)	- -	- -	- -
Reimbursement of expenses	**623.88** (979.06)	**1.43** (3.54)	- (0.17)	- -	- -
Finance :					
Inter Company loan received (Short term)	- (3,050.00)	- -	- -	- -	- -
Inter Company loan repaid (Short term)	- (6,477.82)	- -	- -	- -	- -
Inter Company loan repaid (Long term)	- (3,427.82)	- -	- -	- -	- -
Inter Corporate loan Given (Short term)	- -	**2,900.00** (750.00)	- -	- -	- -
Inter Corporate loan repayment received (Short term)	- -	- (750.00)			
Interest Income on Inter company loan	- -	**85.52** (8.03)			
Interest expense on Inter Company loan	- (219.63)	- -	- -	- -	- -
Outstandings :					
Trade Payable	**66.91** (6.62)	**577.75** (377.86)	- -	- -	- -
Trade Receivable	- -	**0.82** -	**303.97** (384.44)	- -	- -
Interest Accrued but not due	- -	**38.07** -	- -	- -	- -
Inter Company loan receivable*	- -	**2,900.00** -	- -	- -	- -
Other Receivable	- (90.40)	**0.29** (0.08)	**83.72** (83.72)	- -	- -

* Inter company loan receivable were provided to group companies to meet their working capital requirements.

J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-1-'1.b&c' -Fellow Subsidiary Companies with whom transactions have taken place for the year ended 31st March, 2021

Nature of transactions	J K Talabot Ltd	Raymond Apparel Ltd	Raymond Europe Ltd	Raymond Luxury Cotton Limited	Silverspark Apparel Ltd.	Ring Plus Aqua Ltd.	Total 1 (b) & (c)
Purchases :							
Purchase of raw material and stock-in-trade	**1,781.63**	**-**	**-**	**-**	**-**	**-**	**1,781.63**
	(2,003.42)	-	-	-	-	-	(2,003.42)
Purchase of DEPB licence	**5.65**	**-**	**-**	**-**	**-**	**-**	**5.65**
	(11.09)	-	-	-	(61.02)	**-**	(72.11)
Fixed Assets	**54.27**	-	-	-	-	-	**54.27**
	-	-	-	-	-	-	-
Sales :							
Sale of products	**619.79**	**-**	**-**	**-**	**-**	**6.02**	**625.81**
	(631.93)	-	-	-	-	(5.95)	(637.88)
Property, plant and equipment	**4.54**	**-**	**-**	**-**	**-**	**0.91**	**5.45**
	-	-	-	-	-	(0.91)	(0.91)
Expenses :							
Miscellaneous expenses	**-**	**-**	**-**	**-**	**-**	**0.02**	**0.02**
	-	**-**	-	**-**	-	-	-
Other Receipts :							
Cost of shared manpower	**10.50**	**-**	**-**	**-**	**-**	**-**	**10.50**
	(15.82)	-	-	-	-	-	(15.82)
Reimbursement of expenses	**-**	**-**	**-**	**-**	**-**	**1.43**	**1.43**
	-	-	-	-	-	(3.54)	(3.54)
Finance :							
Loans and Advances given	-	**900.00**		**2,000.00**	-	-	**2,900.00**
	(750.00)	-		-	-	-	(750.00)
Loan and Advances Repaid	-	-		-	-	-	**-**
	(750.00)	-		-	-	-	(750.00)
Interest Received	-	**0.21**		**85.32**	-	-	**85.52**
	(8.03)	-		-	-	-	(8.03)
							-
Outstandings :							
Trade Payable	**561.61**	**-**	**16.15**	**-**	**-**	**-**	**577.75**
	(361.71)	-	(16.15)	-	-	-	(377.86)
	-	-	-	-		-	
Trade Receivable	**-**	**-**	**-**	**-**	**-**	**0.82**	**0.82**
	-	-	-	-	-	-	-
Other Receivable	**-**	**-**	**-**	**-**	**-**	**0.29**	**0.29**
	-	-	-	-	-	(0.08)	(0.08)
Interest Accrued but not due	**-**	**0.21**	**-**	**37.86**	**-**	**-**	**38.07**
	-	-	-	-	-	-	-
Inter Company loan receivable *	**-**	**900.00**	**-**	**2,000.00**	**-**	**-**	**2,900.00**
	-	-	-	-	-	-	-

* Inter company loan receivable were provided to group companies to meet their working capital requirements.

J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-'1.d'- Other related parties where control exists for the year ended 31st March, 2021

Nature of transactions	P T Jaykay Files Indonesia	PT Jaykay International Indonesia	J K Helene Curtis Ltd	Total 1 (d)
Expenses :				
Sales Promotion expneses	**-**	**-**	**-**	**-**
	-	-	(1.00)	(1.00)
Other Receipts :				
Other reimbursements	**-**	**-**	**-**	**-**
	(0.17)	-	-	(0.17)
Outstandings :				
Trade Receivable*	**-**	**303.97**	**-**	**303.97**
	(51.26)	(333.18)	-	(384.44)
Recoverable from related party*	**83.72**	**-**	**-**	**83.72**
	(83.72)	-	-	(83.72)

* The total receivable from PT JayKay Files and PT JayKay International, Indonesia has been provided. (Refer note 7 and 9)

J K Files (India) Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-'1.e - Key Management Personnel for the Year ended 31st March, 2021

Nature of transactions	Short term employee benefits	Post employment benefits	Director sitting fees	Professional Services	Total
Mr. Ganesh Kumar Subramanian	**22.63** (250.81)	**1.60** (10.36)	**-** -	**-** -	**24.23** (261.17)
Mr. Hukumchand Lakhotiya	**35.73** -	**1.35** -	**-** -	**-** -	**37.08** -
Mr. Narayan Ramalingam	**-** -	**-** -	**-** (5.00)	**-** -	**-** (5.00)
Mr. Ramchandra Anant Prabhudesai	**-** -	**-** -	**-** (4.00)	**-** -	**-** (4.00)
Mrs. Rashmi Mundada Brijgopal	**-** -	**-** -	**1.50** (3.50)	**-** -	**1.50** (3.50)
Mr. Ravikant Uppal	**-** -	**-** -	**1.50** (2.50)	**13.00** (16.00)	**14.50** (18.50)
Total 1 (e)	**58.36** (250.81)	**2.95** (10.36)	**3.00** (15.00)	**13.00** (16.00)	**77.31** (292.17)

* The amount in respect of gratuity and compensated absences is not disclosed as the same is not determinable for the key managerial person seperately

Note: Amounts in brackets represent previous year figures

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 42 Segment Information

(i) The company's business operations fall within a single primary business segment of "Engineering, tools and related component". Accordingly the company is single segment company in terms of Its product

(ii) Entity wide disclosure -Information in respect of geographical area is as under

	India		**Africa**		**America**		**Asia**		**Rest of the world**		**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
Segment revenue*	18,482.57	19,353.02	4,911.67	7,413.69	8,490.40	5,750.47	1,935.74	3,893.53	987.56	1,496.73	34,807.94	37,907.44
Carrying cost of segment non-current asset**	6584.11	7391.18	-	-	-	-	-	-	-	-	6584.11	7391.18

* 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.

Note 43 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 ('Raymond Limited') files its consolidated financial statements, hence the company has availed the exemption from preparation of consolidated financial statement.

Note 44 Corporate Social Responsibility:
The Company formulated a Corporate Social Responsibility (CSR) Committee of its directors.

Corporate Social Responsibility expenditure	Year ended 31st March, 2021	Year ended 31st March, 2020
Gross amount required to be spent as per Section 135 of the Act	35.00	35.00
Amount spent during the year	35.02	14.00

Note 45 Changes in accounting policies - Lease Accounting as per IndAS 116

Impact on the financial statements – lessee accounting

The company has adopted Ind AS 116 retrospectively from 1 April 2019, but has not restated comparatives for year ended 31st March 2019, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1st April 2019. The new accounting policies are disclosed in note 1(B)(a)(e).

On adoption of Ind AS 116, the company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17, Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1st April 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1st April 2019 was 10.90%

On adoption of Ind AS 116, the Company has reclassifed leasehold land presented under Property, Plant and Equipment to Right-of-use asset. The remeasurements to the lease liabilities were recognised as adjustments to the related right-of-use assets immediately after the date of initial application.

(i) Practical expedients applied

In applying Ind AS 116 for the first time, the compnay has used the following practical expedients permitted by the standard:
- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review there were no onerous contracts as at 1 April 2019
- accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The compnay has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the compnay relied on its assessment made applying Ind AS 17 and Appendix C to Ind AS 17, Determining whether an Arrangement contains a Lease.

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 45 Changes in accounting policies - Lease Accounting as per IndAS 116

(ii) Measurement of lease liabilities

Operating lease commitments disclosed as at 31st March 2019	-
Add: adjustments as a result of a different treatment of extension and termination options	1,552.76
Lease liability recognised as at 1st April 2019	**1,552.76**
Of which are:	
Current lease liabilities	71.83
Non-current lease liabilities	1,480.93
	1,552.76

(iii) Measurement of right-of-use assets

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied.

(iv) Adjustments recognised in the balance sheet on 1 April 2019

Particulars	Increase/ (Decrease)	Amount
Property, plant and equipment	(Decrease)	(388.53)
Right-of-use assets	Increase	1,606.76
Lease liabilities	Increase	1552.76
Deferred tax assets (net)	Increase	84.20
Retained earnings on 1 April 2019	(Decrease)	(250.33)

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 46 COVID-19 Assessment

The ongoing corona pandemic is profoundly impacting people's health, societies and business operations around the globe. In many countries, including India, there has been severe disruption to regular business operations due to lockdowns, disruptions in transportation, supply chains, travel restrictions, quarantines, social distancing and other emergency measures.

The 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. The Company's strong contingency plans are in place to secure operations and supply chain so that files and cutting tool manufacturing production continues. Further, there are significant geographic, new customer and new proposition opportunities that will continue to drive growth in mid and long term.

The Company has made detailed assessments of the recoverability and carrying values of its assets comprising property, plant and equipment, inventories, receivables and other current assets as at the balance sheet date and on the basis of evaluation, has concluded that no significant impact on its financial statement as at 31st March, 2021. 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 47 The Financial Statements were authorised for issue by the directors on May 3 , 2021.

As per our attached report of even date	**For and on behalf of Board of Directors**	
Sd/-	Sd/-	Sd/-
For Price Waterhouse Chartered Accountants LLP	Ganesh Kumar Subramanian	K. A. Narayan
Firm Registration No. 012754N/N500016	Director	Director
	DIN: 00088163	DIN:00950589
Sd/-	Sd/-	Sd/-
Arunkumar Ramdas	Srinivasan Ganapathy	Waqar Siddiqui
Partner	Chief Financial Officer	Company Secretary
Membership No.: 112433		
Mumbai	Mumbai	
3rd May , 2021	3rd May , 2021	

JK TALABOT LIMITED

ANNUAL REPORT 2020-21

BOARD OF DIRECTORS	:	SHRI GANESHKUMAR SUBRAMANIAN SHRI SRINIVASAN GANAPATHY SHRI ARNAUD MOULIN SHRI HUKUMCHAND LAKHOTIYA *(appointed on 30.04.2021)*
COMPANY SECRETARY	:	SMT. ARCHANA PANCHAL *(resigned on 31.07.2020)*
STATUTORY AUDITORS	:	MESSRS. PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
INTERNAL AUDITORS	:	MESSRS. MAHAJAN & AIBARA, CHARTERED ACCOUNTANTS LLP
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 **Sixteenth** Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2021.

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 2021, the Gross Sales Revenue of the company stood at Rs. 20.19 crore (Previous Year: Rs. 23.26 crore). The Company reported a profit after tax of Rs. 1.09 crore during FY 2021 (Previous Year: Profit Rs. 2.30 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:

The ongoing corona pandemic is profoundly impacting people's health, societies and business operations around the globe. In many countries, including India, there has been severe disruption to regular business operations due to lockdowns, disruptions in transportation, supply chains, travel restrictions, quarantines, social distancing and other emergency measures.

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 of the situation and believes that no adjustments are required in the financial statements as it does not impact the current financial year; however, in view of the various preventive measures taken (such as lock-down restrictions by respective State governments, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

4. DIVIDEND

In order to conserve resources, no dividend has been recommended for the FY 2020-21.

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 012754N/N500016), registered with the Institute of Chartered Accountants of India, was appointed as the Statutory Auditor of the Company at the Twelfth Annual General Meeting for a period of 5 years commencing from the conclusion of Twelfth AGM till the conclusion of Seventeenth AGM. Accordingly, they shall continue to be the Statutory Auditors for the Financial Year 2020-21.

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 Mahajan & Aibara Chartered Accountants 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.

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, 2021 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, 2021, 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 Arnaud Moulin (DIN No. 07499879), Director retires by rotation at the forthcoming Annual General Meeting and, being eligible offer himself for re-appointment.

During the year, six Board Meetings were held viz. June 24, 2020, September 3, 2020, September 11, 2020, November 09, 2020, December 22, 2020 and February 1, 2021. 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
1	24/06/2020	-	✓	✓
2	03/09/2020	✓	✓	✓
3	11/09/2020	-	✓	✓
4	09/11/2020	-	✓	✓
5	22/12/2020	-	✓	✓
6	01/02/2021	-	✓	✓

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, 2021 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

Sd/-	**Sd/-**
Ganeshkumar Subramanian	**Srinivasan Ganapathy**
Director	**Director**
DIN: 00088163	**DIN: 07379783**

Date: April 30, 2021
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 the Company has 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 2020-21) the Company has generated Green power of 106.45 MWh thereby achieving a reduction of 105 MT of CO2.
- Changed capacitor bank to maintain power factor, which helped to get the incentive of Rs. 9.77 Lacs in the FY- 20-21
- Manual compressor balancing to power optimization, this helps to get the saving of Rs.0.75 Lacs in the FY 20-21

B) TECHNOLOGY ABSORPTION, ADAPATION, INNOVATION:

a) Development in machine

Various cost saving initiatives taken by development of machine & fixtures at JKTL. This development makes the saving of Rs 4.22 in FY 2020-21.

Sr. no	Cost saving initiatives FY 20-21	Total savings (Rs. in Lacs)
1	Redesign the process of repairing of robotic hardening fixture	0.71
2	Electric scouring dryer convert into LPG dryer	0.88
3	Scouring gear box sealing plate redesign to reduce breakdown & bearing, gear consumption	0.59
4	STD cutting M/c Half nut box repairing with Tarcite instead of replacement	1.06
5	Provided new developed face shields to get life benefits for cost saving	0.98

Various cost saving initiatives taken by installing new equipment at JKTL. These equipment's makes the saving of Rs 2.46 in FY 2020-21.

Sr. no	Cost saving initiatives FY 20-21	Total savings (Rs in Lacs)
1	Cost saving due to brine water circulation installation	0.79
2	Installation of Acid Tank in plant	0.95
3	Installation of Bellow type cylinder instead of double acting cylinder on Quenching fixture To reduce breakdown time, cylinder cost and cylinder repairing cost	0.72

b) **New Product Development:** Not Applicable

c) **In case of imported technology** (imported during the last three years reckoned from the beginning of the financial year)- Not Applicable

d) **Research and Process Development:**

Various cost saving initiatives taken by development of process at JKTL. This development makes the saving of Rs.2.20 Lacs in FY 20 21.

Sr no	Cost saving initiatives FY 20-21	Total savings (Rs in Lacs)
1	Methanol free annealing	1.17
2	Induction Stamping for conversion of Second Quality without brand files to first quality	0.85

Vendor development & rate negotiation development:

Various initiatives of Vendors development & rate negotiation taken by the Company. This development makes saving of Rs.10.08 Lacs in FY 20-21.

Sr. no	Cost saving initiatives FY 20-21	Total savings (Rs in Lacs)
1	Cost saving by Vendor development for PPE	1.12
2	Cost saving through vendor development for stores , spares & consumables	8.96

During FY 20-21, JKTL's manufacturing engineering team has conducted study for potential areas & technology innovation & development. Based on plant wise analysis following projects are identified & initiated:

1. Laser Engraving machine to replace the hard stamping from the process.
2. Upgradation of SDT cutting machine

C) **FOREIGN EXCHANGE EARNINGS AND OUTGO-**

The Company has Rs. 1.96 Crores (Previous Year: Rs.2.82 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, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), 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.

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, 2021, 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.

Emphasis of Matter

4. We draw your attention to Note 37 to the financial statements, which explains the uncertainties and the management's assessment of the financial impact due to restrictions and other conditions related to the COVID-19 pandemic situation (including its second wave), for which a definitive assessment of the impact in the subsequent period is dependent upon circumstances as they evolve. Our opinion is not modified in respect of the matter.

Other Information

5. 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

6. 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.

7. 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

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 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.

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 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.

10. 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

11. 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 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 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.

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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, 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 as at March 31, 2021 on its financial position in its financial statements– Refer Note 31 to the financial statements;

   ii. The Company has long-term contracts as at March 31, 2021 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2021.

   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, 2021.

   iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.

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 for the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-
Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 21112433AAAACB1850

Mumbai
April 30, 2021

Annexure A to Independent Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of JK Talabot Limited on the financial statements for the year ended March 31, 2021

Page 1 of 2

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, 2021 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 issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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 on Audit of Internal Financial Controls Over Financial Reporting (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 Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of JK Talabot Limited on the financial statements for the year ended March 31, 2021

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, 2021, 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 Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-
Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 21112433AAAACB1850

Mumbai
April 30, 2021

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of JK Talabot Limited on the financial statements as of and for the year ended March 31, 2021

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.

(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 immovable properties, as disclosed in Note 2(b) on fixed assets to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. 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 material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

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 from the public 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 generally regular in depositing the undisputed statutory dues of provident fund, income tax and goods and services tax, 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, 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 31 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 dues of income-tax, sales-tax, service-tax, duty of customs, duty of excise, goods and service tax which have not been deposited on account of any dispute. The particulars of dues of value added tax as at March 31, 2021 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In lacs) (net of deposits)	Period to which the amount relates	Forum where the dispute is pending
Maharashtra Value Added Tax, 2002	Value Added Tax	46. 34	2006-07	Maharashtra Sales Tax Tribunal

viii. 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 borrowings to any financial institution or bank or Government. Further, the Company has not issued any debentures and hence the question of default does not arise.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. 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 by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. 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. Also refer paragraph 13 of our main audit report.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of 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 (Ind AS) 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 provisions of Clause 3(xiii) of the Order are not applicable to the Company.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him within the meaning of section of 192 of the Act. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of JK Talabot Limited on the financial statements for the year ended March 31, 2021

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order 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: 21112433AAAACB1850

Mumbai
April 30, 2021

J K Talabot Limited
Balance Sheet as at 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
I	**ASSETS**			
1	**Non-current assets**			
	(a) Property, Plant and Equipment	**2(a)**	620.97	669.97
	(b) Right to Use Assets	**2(b)**	16.12	16.31
	(c) Capital work-in-progress		18.38	71.03
	(d) Financial Assets			
	(i) Loans	**3**	2.58	2.58
	(e) Non Current Tax Assets (Net)		32.66	103.85
	(f) Other non - current assets	**4**	3.07	3.07
	Total Non-Current Assets		**693.78**	**866.81**
2	**Current assets**			
	(a) Inventories	**5**	214.64	145.56
	(b) Financial Assets			
	(i) Investments	**6**	143.17	134.47
	(ii) Trade receivables	**7**	618.97	434.02
	(iii) Cash and cash Equivalents	**8**	52.54	0.69
	(iv) Loans	**9**	1,310.00	1,300.00
	(v) Other Financial Assets	**10**	15.88	19.97
	(c) Other current assets	**11**	21.58	45.35
	Total Current Assets		**2,376.78**	**2,080.06**
	TOTAL ASSETS		**3,070.56**	**2,946.87**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	**12**	805.44	805.44
	(b) Other equity	**13**	1,892.87	1,822.43
	TOTAL EQUITY		**2,698.31**	**2,627.87**
	LIABILITIES			
2	**Non-current liabilities**			
	(a) Deferred tax liabilities (Net)	**27**	4.93	3.34
	Total Non-Current Liabilities		**4.93**	**3.34**
3	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowing	**14**	-	12.76
	(ii) Trade payables	**15**		
	(a) total oustanding of micro and small enterprises		2.15	2.73
	(a) total oustanding other than (ii) (a) above		143.63	159.46
	(iii) Other financial liabilities	**16**	99.71	82.40
	(b) Provisions	**17**	103.91	46.22
	(c) Other current liabilities	**18**	17.92	12.09
	Total Current Liabilities		**367.32**	**315.66**
	TOTAL LIABILITIES		**372.25**	**319.00**
	TOTAL EQUITY AND LIABILITIES		**3,070.56**	**2,946.87**

The accompanying notes (1 to 38) 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

Sd/-
Arunkumar Ramdas
Partner
Membership Number - 112433
Date: April 30, 2021

Sd/-
Ganesh Kumar Subramanian
Director
DIN: 00088163

Sd/-
Srinivasan Ganapathy
Director
DIN: 07379783

Sd/-
Waqar Siddiqui
Company Secretary

Mumbai
Date: April 30, 2021

Mumbai
Date: April 30, 2021

J K Talabot Limited
Statement of Profit and Loss for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	Year ended 31st March, 2021	Year ended 31st March, 2020
I	**Revenue from Operations**	19	2,019.03	2,326.53
II	**Other Income**	20	131.35	95.69
III	**Total Income (I + II)**		**2,150.38**	**2,422.22**
IV	**Expenses**			
	Cost of materials consumed	21	609.78	615.40
	Changes in inventories of work-in progress and finished goods	22	(54.12)	(20.21)
	Employee benefits expense	23	545.97	616.00
	Finance costs	24	1.01	12.63
	Depreciation and amortization expense	25	68.72	57.61
	Other expenses	26		
	(a) Manufacturing and operating costs		742.50	736.94
	(b) Other expenses		92.21	115.44
	Total expenses (IV)		**2,006.07**	**2,133.81**
V	**Profit before tax (III -IV)**		**144.31**	**288.41**
VI	**Tax expense**	27		
	Current tax		34.09	71.94
	Deferred tax		1.59	(13.52)
	Total Tax expenses (VI)		**35.68**	**58.42**
VII	**Profit for the year (VI- VII)**		**108.63**	**229.99**
VIII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	28	(49.91)	(3.46)
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	27	11.72	0.86
	Other Comprehensive Income for the year		**(38.19)**	**(2.60)**
IX	**Total Comprehensive Income for the year (VII + VIII)**		**70.44**	**227.39**
X	**Earnings per equity share of Rs. 10 each :**	29		
	Basic & Diluted (in Rs.)		1.35	2.86
	Significant Accounting Policies	1		

The accompanying notes (1 to 38) are an integral part of financial statements

As per our report of even date

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Sd/-
Arunkumar Ramdas
Partner
Membership Number - 112433

Sd/-
Ganesh Kumar Subramanian
Director
DIN: 00088163

Sd/-
Srinivasan Ganapathy
Director
DIN: 07379783

Sd/-
Waqar Siddiqui
Company Secretary

Mumbai
Date: April 30, 2021

Mumbai
Date: April 30, 2021

J K Talabot Limited
Statement of Changes in Equity for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

A. EQUITY SHARE CAPITAL

Particulars	Amount
Balance as at 1st April, 2019	**805.44**
Changes in Equity Share Capital during the year	-
Balance as at 31st March, 2020	**805.44**
Changes in Equity Share Capital during the year	-
Balance as at 31st March, 2021	**805.44**

B. Other Equity

Particulars	Reserves and Surplus
Balance as at 1st April, 2019	**1,595.04**
Profit for the year	**229.99**
Other Comprehensive Income for the year (Net of Tax)	**(2.60)**
Total Comprehensive Income for the year	**227.39**
Balance as at 31st March, 2020	**1,822.43**
Profit for the year	**108.63**
Other Comprehensive Income for the year (Net of Tax)	**(38.19)**
Total Comprehensive Income for the year	**70.44**
Balance as at 31st March, 2021	**1,892.87**

The accompanying notes (1 to 38) 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

Sd/-
Arunkumar Ramdas
Partner
Membership Number - 112433

Sd/-
Ganesh Kumar Subramanian
Director
DIN: 00088163

Sd/-
Srinivasan Ganapathy
Director
DIN: 07379783

Sd/-
Waqar Siddiqui
Company Secretary

Mumbai
Date: April 30, 2021

Mumbai
Date: April 30, 2021

J K TALABOT LIMITED

Statement of Cash Flow for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Particulars	Year ended 31st March, 2021		Year ended 31st March, 2020	
A. Cash Flow from Operating Activities				
Profit before tax as per statement of profit and loss		144.31		288.41
Adjustment for :				
Depreciation	68.72		57.61	
Net loss on disposal of property,plant and equipment	-		3.71	
Interest income	(119.52)		(108.73)	
Net loss on sale of investments	-		10.82	
Net (gain) / loss on Fair valuation of investments through profit and loss	(8.70)		6.36	
Unrealised (Loss)/Gain on foreign exchange fluctuations	1.54		(2.97)	
Remeasurements of net defined benefit plans	(49.91)		(3.46)	
Finance Costs	0.58	(107.29)	12.63	(24.03)
Operating Profit Before Working Capital Changes		37.02		264.38
Adjustment for :				
(Increase) in Inventories	(69.08)		(42.11)	
(Increase) / Decrease in Trade and Other Receivables	(162.72)		26.22	
Increase in Trade Payables and Other Current Liabilities	2.86		10.80	
Increase in Provision	57.69		10.90	
		(171.25)		5.81
Cash (used in) / generated from Operations		(134.23)		270.19
Less : Direct Taxes Paid (net of refunds)		48.82		(80.40)
Net cash (used in) / generated from operating activities		**(85.41)**		**189.79**
B. Cash Flow from Investing Activities				
Inflows				
Proceeds from sale of current investments		-		125.00
Interest received		123.61		108.73
Sale proceeds of property,plant & equipment		54.27		0.01
		177.88		233.74
Outflows				
Loans provided to related party		(10.00)		(300.00)
Purchase of property, plant & equipment		(17.28)		(112.99)
		(27.28)		(412.99)
Net cash generated / (used in) from investing activities		**150.60**		**(179.25)**
C. Cash Flow from Financing Activities				
Outflows				
Interest Paid		(0.58)		(12.63)
Short term borrowing net		(12.76)		2.40
Net cash (used in) financing activities		**(13.34)**		**(10.23)**
Net Increase in Cash and Cash Equivalents (A+B+C)		51.85		0.31
Add :Cash and Cash Equivalents at the beginning of the financial Year		0.69		0.38
Cash and Cash Equivalents as at the end of the Year		**52.54**		**0.69**

Reconcilation of Cash and Cash Equivalents as per Cash Flow Statement	Year ended 31st March, 2021	Year ended 31st March, 2020
Cash and Cash Equivalent as per above comprise of the following		
Cash and Cash Equivalent (Refer note 8)	52.54	0.69
Balance as per Statement of Cash Flows	**52.54**	**0.69**

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 38) 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

Sd/-
Arunkumar Ramdas
Partner
Membership Number - 112433

Sd/-
Ganesh Kumar Subramanian
Director
DIN: 00088163

Sd/-
Srinivasan Ganapathy
Director
DIN: 07379783

Sd/-
Waqar Siddiqui
Company Secretary

Mumbai
Date: April 30, 2021

Mumbai
Date: April 30, 2021

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 is a leading Engineering tools Company.

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 2020:

- Definition of Material – amendments to Ind AS 1 and Ind AS 8
- COVID-19 related concessions – amendments to Ind AS 116

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.

(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 (Division II) to the Act.

(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 (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 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.

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.

(d) Lease

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. 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.

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. On adoption of Ind AS 116, the Company has reclassifed leasehold land presented under Property, Plant and Equipment to Right-of-use asset and lease payments have been classified as financing cash flows.

(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.

(g) 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 conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formula used is 'Weighted Average cost'. 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:

* 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) 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.

(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) Income recognition

Interest income

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

(i) 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 in Statement of Profit and loss.

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 are disclosed in respect of possible asset that arise from past event and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events.

(j) Revenue recognition

Revenue with Contracts with Customers

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.

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.

(k) Employee benefits

(i) Post-employment obligations

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 calculated by actuary 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 as incurred.

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.

(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 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.

(l) 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.

(m) 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 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

(n) 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.

(o) Manufacturing and operating Expenses :

The Company classifies separately manufacturing and operating expenses which are directly linked to manufacturing activities of the company.

(p) 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 (Refer Note 28).

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-2(a) Property, Plant and Equipment

	Leasehold Land	Buildings	Plant & Equipment	Furniture & fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying Amount								
Balance as at 1st April, 2019	**17.26**	**336.48**	**764.05**	**2.26**	**1.55**	**5.64**	**5.16**	**1,132.40**
Adjustment for change in accounting policy	(17.26)	-	-	-	-	-	-	**(17.26)**
Additions	-	30.49	94.30	-	-	0.25	-	**125.04**
Disposals	-	3.96	-	-	-	-	-	**3.96**
Balance as at 31st March, 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**
Accumulated Depreciation								
Balance as at 1st April, 2019	**0.76**	**58.73**	**443.36**	**1.24**	**1.21**	**1.03**	**3.50**	**509.83**
Adjustment for change in accounting policy	(0.76)	-	-	-	-	-	-	(0.76)
Additions	-	15.16	40.71	0.15	0.11	1.29	-	**57.42**
Disposals	-	0.24	-	-	-	-	-	**0.24**
Balance as at 31st March, 2020	**-**	**73.65**	**484.07**	**1.39**	**1.32**	**2.32**	**3.50**	**566.25**
Additions	-	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**
Net carrying amount								
Balance as at 31st March, 2020	**-**	**289.36**	**374.28**	**0.87**	**0.23**	**3.57**	**1.66**	**669.97**
Balance as at 31st March, 2021	**-**	**273.39**	**341.13**	**1.81**	**0.16**	**2.82**	**1.66**	**620.97**

NOTE:
1) Refer note 30 for information on Property Plant and Equipment pledged as security by the company.

(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, 2021	As at 31st March, 2020
Right-of-use assets		
Lease hold Land	16.12	16.31
Total	**16.12**	**16.31**

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, 2021	Year ended 31st March, 2020
Depreciation charge of right-of-use assets			
Lease hold Land		0.19	0.19
Total	25	**0.19**	**0.19**

Note-3 Loans

	As at 31st March, 2021	As at 31st March, 2020
Security Deposits	2.58	2.58
Total	**2.58**	**2.58**

Break-up of security details

	As at 31st March, 2021	As at 31st March, 2020
Loans considered good - Secured	-	-
Loans considered good - Unsecured	2.58	2.58
Loans which have significant increase in credit risk	-	-
Loans credit impaired	-	-
Total	**2.58**	**2.58**
Loss allowance	-	-
Total Loans	**2.58**	**2.58**

Note-4 Other non - current assets

	As at 31st March, 2021	As at 31st March, 2020
Balances with Government Authorities	1.83	1.83
Capital advances	1.24	1.24
Total	**3.07**	**3.07**

Note-5 Inventories
(Cost or Net Realisable Value, whichever is lower)

	As at 31st March, 2021	As at 31st March, 2020
Raw Materials	73.88	60.28
Work-in-progress	87.32	55.41
Finished goods	29.32	7.11
Stores and Spares	24.12	22.76
Total	**214.64**	**145.56**

Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Write-down of inventories amounted to Rs 5.09 Lakhs during year (Previous year write down Rs 1.15 lakhs). These write downs were recognised as 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 statement of Profit and Loss.

Note-6 Current investments

	As at 31st March, 2021	As at 31st March, 2020
Investments in Mutual Fund		
Unquoted		
5,412.5550 (31st March, 2020 : 5,412.5550) Units of UTI Treasury Advantage Fund Growth Plan	143.17	134.47
Total	**143.17**	**134.47**
Aggregate amount of Unquoted Investment	**143.17**	**134.47**

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, 2021	As at 31st March, 2020
Unsecured, considered good		
Trade Receivables		
-Receivable from related parties (Refer note 34)	618.97	434.02
Total	**618.97**	**434.02**

Refer Note - 33 for information about credit risk and market risk of trade receivables.

Note-8 Cash and cash equivalents

	As at 31st March, 2021	As at 31st March, 2020
Cash on hand	0.46	0.26
Balances with Banks		
-In current accounts	19.32	0.43
-In cash credit accounts	7.76	-
-In deposit accounts	25.00	-
Total	**52.54**	**0.69**

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-9 Loans
(Unsecured, considered good)

	As at 31st March, 2021	As at 31st March, 2020
Loans to related parties (Refer Note 35)	1,310.00	1,300.00
Total	**1,310.00**	**1,300.00**

Refer Note - 33 for information about credit and market risk for loans

Note-10 Other Financial Assets

	As at 31st March, 2021	As at 31st March, 2020
Interesr Accured but not Due (Refer Note 35)	15.88	19.97
	15.88	**19.97**

Note-11 Other current assets

	As at 31st March, 2021	As at 31st March, 2020
Export benefit receivables	7.29	10.83
GST Receivable	0.93	24.67
Advances to Suppliers	4.94	1.04
Prepaid expenses	6.54	7.93
Other advances	1.88	0.88
Total	**21.58**	**45.35**

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-12-Equity Share capital

	As at 31st March, 2021	As at 31st March, 2020
Authorised		
1,00,00,000 [31st March, 2020: 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, 2020: 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, 2021		As at 31st March, 2020	
	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, 2021	As at 31st March, 2020
JK Files (India) Limited, India (Holding Company) (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, 2021		As at 31st March, 2020	
NAME OF SHAREHOLDERS	Number of shares	% of Holding	Number of shares	% of Holding
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%

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-13-Other Equity

	Reserves and Surplus
	Retained Earnings
Balance as at 1st April, 2019	**1,595.04**
Profit for the year	**229.99**
Other Comprehensive Income for the year (Net of Tax)	**(2.60)**
Total Comprehensive Income for the year	**227.39**
Balance as at 31st March, 2020	**1,822.43**
Profit for the year	**108.63**
Other Comprehensive Income for the year (Net of Tax)	**(38.19)**
Total Comprehensive Income for the year	**70.44**
Balance as at 31st March, 2021	**1,892.87**

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note- 14 - Current Borrowings

	As at 31st March, 2021	As at 31st March, 2020
Secured		
Loans repayable on demand		
From Banks		
- Cash Credit	-	12.76
Total	**-**	**12.76**

Repayable on demand @ 8.75% p.a. (Previous Year- 9.85% p.a.)
For assets pledged as Security-Refer Note -30

Net debt reconciliation	As at 31st March, 2021	As at 31st March, 2020
Cash and cash equivalents	(52.54)	(0.69)
Liquid investments	(143.17)	(134.47)
Current Borrowings	-	12.76
Net debt	**(195.71)**	**(122.40)**

	Cash and Cash equivalents	Liquid investments	Current borrowings	Total
Net Debt as at April 01, 2019	**0.38**	**276.65**	**10.35**	**(266.68)**
Cash flows	0.31	(125.00)	2.41	127.10
Fair value Adjusments	-	(17.18)	-	17.18
Interest expense	-	-	12.47	12.47
Interest paid	-	-	(12.47)	(12.47)
Net Debt as at Mar 31, 2020	**0.69**	**134.47**	**12.76**	**(122.40)**
Cash flows	51.85	-	(12.76)	(64.61)
Fair value Adjusments	-	8.70	-	(8.70)
Interest expense	-	-	0.58	0.58
Interest paid	-	-	(0.58)	(0.58)
Net Debt as at Mar 31, 2021	**52.54**	**143.17**	**-**	**(195.71)**

Note-15 Trade payables

	As at 31st March, 2021	As at 31st March, 2020
Trade payables (Refer Note below)		
Micro and small enterprises	2.15	2.73
Others	143.42	157.69
Related parties	0.21	1.77
Total	**145.78**	**162.19**

Refer Note-33 for information about liquidity risk and market risk of trade payables.

Note :
DUES TO MICRO AND SMALL ENTERPRISES
The Company has no dues to suppliers under Micro, small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows.

	As at 31st March, 2021	As at 31st March, 2020
Principal amount due to suppliers registered under MSME Act and remaining unpaid as at year end	1.72	2.73
Interest due thereon to suppliers registered under the MSMED Act and remaining unpaid as at the year end	0.03	-
Principal Amounts paid to suppliers registered under the MSMED Act, beyond the appointed date during the year	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 year	-	-
Interest paid, under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	-
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	0.40	-
Interest accrued and remanining unpaid at the end of each accounting year	0.43	-
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 expnediture under section 23 of the MSMED Act	-	-

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-16 - Other current financial liabilities

	As at 31st March, 2021	As at 31st March, 2020
Employee Benefits Payable	84.83	71.50
Capital Creditors	4.32	0.45
Other payables	10.56	10.45
Total	**99.71**	**82.40**

Refer Note-33 for information about liquidity risk and market risk of financial liabilities.

Note-17 Provisions

	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits (Refer note -28)		
-Gratuity	63.73	16.98
-Compensated absences	40.18	29.24
Total	**103.91**	**46.22**

Note-18 - Other Current liabilities

	As at 31st March, 2021	As at 31st March, 2020
Contract Liabilities (Refer note -37)	3.21	2.64
Statutory Dues payable	14.71	9.45
Total	**17.92**	**12.09**

(All amounts are in Rs. lakhs, unless stated otherwise)

Note-19 Revenue from Operations

	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue from Contract with Customers (Sale of Products)		
(i) Manufactured goods - Domestic	1,780.22	1,999.11
(ii) Manufactured goods - Export	196.03	281.85
Other operating revenue		
(i) Export Incentives	6.50	19.04
(ii) Process waste sale	36.28	26.53
Total	**2,019.03**	**2,326.53**

Note-20 Other income

	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest income		
-On Fixed Deposit	1.98	2.19
-On Loan	110.65	106.54
-On Tax Refund	6.89	-
Net (loss) on sale of investments	-	(10.82)
Net gain / (loss) on fair valuation of investments through profit and loss	8.70	(6.36)
Miscellaneous Income	3.13	4.14
Total	**131.35**	**95.69**

Note-21 Cost of materials consumed

	Year ended 31st March, 2021	Year ended 31st March, 2020
Raw material at the beginnning of the year	60.28	40.64
Purchases	623.38	635.04
Less : Raw material at the end of the year	73.88	60.28
Total	**609.78**	**615.40**

Note-22 Changes in inventories of work-in-progress and finished goods

	Year ended 31st March, 2021	Year ended 31st March, 2020
Opening inventories		
Work-in-progress	55.41	31.99
Finished goods	7.11	10.32
	62.52	**42.31**
Closing inventories		
Work-in-progress	87.32	55.41
Finished goods	29.32	7.11
	116.64	**62.52**
Total	**(54.12)**	**(20.21)**

Note-23 Employee benefits expense

	Year ended 31st March, 2021	Year ended 31st March, 2020
Salaries, wages, bonus etc	457.30	508.16
Contribution to Gratuity Funds (Refer note -28)	14.86	13.52
Contribution to provident funds and other funds (Refer note -28)	35.80	41.72
Workmen and Staff welfare expenses	38.01	52.60
Total	**545.97**	**616.00**

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-24 Finance costs

	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest expense	0.58	12.47
Interest expense - Others	0.43	-
Interest on shortfall of advance tax	-	0.16
Total	**1.01**	**12.63**

Note-25 Depreciation and amortization expense

	Year ended 31st March, 2021	Year ended 31st March, 2020
Depreciation on property, plant and equipment	68.53	57.42
Depreciation on Right to Use Asset (Refer note 37)	0.19	0.19
Total	**68.72**	**57.61**

Note-26 (a) Manufacturing and Operating Costs

	Year ended 31st March, 2021	Year ended 31st March, 2020
Consumption of stores and spare parts	189.09	194.53
Power and fuel	266.55	264.75
Job work charges	114.02	95.60
Repairs to buildings	11.02	16.87
Repairs to machinery	33.27	41.45
Payment to labour contractor	105.64	103.13
Other Manufacturing and Operating expenses	22.91	20.61
Total	**742.50**	**736.94**

Note-26 (b) Other expenses

	Year ended	Year ended

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 27: Income Taxes

Tax expense recognised in the Statement of Profit and Loss

	Year ended 31st March, 2021	Year ended 31st March, 2020
Current tax		
Current tax on taxable income for the year	34.09	71.94
Total current tax	**34.09**	**71.94**
Deferred tax		
Deferred tax charge/(credit)	1.59	(13.52)
Total deferred tax	**1.59**	**(13.52)**
Total tax expense	**35.68**	**58.42**

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, 2021	Year ended 31st March, 2020
Profit before tax	**144.31**	**288.41**
Enacted income tax rate in India	**25.17%**	**25.17%**
Tax Expense at enacted income tax rate	**36.32**	**72.59**
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Permanent Disallowances	0.21	1.45
Effect of change in tax rate	-	(1.61)
Others	(0.85)	(14.01)
Tax Expense Recognised in Statement of Profit and Loss	**35.68**	**58.42**

Consequent to reconciliation items shown above, the effective tax rate is 24.72% (2019-20: 20.25%)

The movement in deferred tax assets and liabilities during the year ended March 31, 2020 and March 31, 2021:

	As at 31st March, 2019	Credit/(charge) in statement of Profit and Loss	As at 31st March, 2020	Credit/(charge) in statement of Profit and Loss	As at 31st March, 2021
Deferred tax assets on account of:					
Provision for employee benefits and employee benefits payable	2.90	14.59	17.49	2.87	20.36
Deferred tax (liabilities) on account of:					
Depreciation on Property, Plant and Equipment	(14.18)	(5.64)	(19.82)	(2.27)	(22.09)
Investment in mutual fund (FVPL)	(5.58)	4.57	(1.01)	(2.19)	(3.20)
Total	**(16.86)**	**13.52**	**(3.34)**	**(1.59)**	**(4.93)**

Note 28: 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, 2021 and 31st March, 2021 amount recognised in the financial statements in respect of Employee Benefit Schemes:

A. Balance Sheet

	Gratuity	
	As at 31st March, 2021	**As at 31st March, 2020**
Present value of plan liabilities	(229.21)	(156.19)
Fair value of plan assets	165.48	139.21
(Deficit)/surplus of funded plans	(63.73)	(16.98)
Net plan liabilities	**(63.73)**	**(16.98)**

B. Movements in plan assets and plan liabilities

	As at 31st March, 2021			As at 31st March, 2020		
	Plan liabilities	**Plan Assets**	**Net**	**Plan liabilities**	**Plan Assets**	**Net**
As at 1st April	**(156.19)**	**139.21**	**(16.98)**	**(132.44)**	**122.02**	**(10.42)**
Current service cost (including past service cost)	(13.70)	-	(13.70)	(12.71)	-	(12.71)
Return on plan assets excluding actual return on plan asset	-	(0.20)	(0.20)	-	(0.83)	(0.83)
Interest cost	(10.65)	-	(10.65)	(10.30)	-	(10.30)
Interest income	-	9.49	9.49	-	9.49	9.49
Actuarial gain/(loss) arising from changes in financial assumptions	5.79	-	5.79	(4.69)	-	(4.69)
Actuarial gain/(loss) arising from experience adjustments	(55.50)	-	(55.50)	2.06	-	2.06
Employer contributions	-	16.98	16.98	-	10.42	10.42
Benefit Paid Directly by the Employer	1.04	-	1.04	-	-	-
Benefit payments	-	-	-	1.88	(1.88)	-
As at 31st March	**(229.21)**	**165.48**	**(63.73)**	**(156.19)**	**139.21**	**(16.98)**

The liabilities are split between different categories of plan participants as follows:
• Active members - 179 (2019-20: 182)
• Deferred members - Nil (2019-20: Nil)
• Retired members - Nil (2019-20: Nil)
The weighted average duration of the defined benefit plans is 20 years (2019-20 : 19 years)

C. The Company expects to contribute Rs 31.66 lakh to the funded plans in financial year 2020-21 (2019-20: Rs 24.78 lakh) for gratuity

D. Statement of Profit and Loss

	Year ended 31st March, 2021	**Year ended 31st March, 2020**
Employee Benefit Expenses:		
Current service cost (including past service cost)	13.70	12.71
Interest cost	1.16	0.81
Net impact on the Profit / (Loss) before tax	**14.86**	**13.52**

(All amounts are in Rs. lakhs, unless stated otherwise)

	Year ended 31st March, 2021	Year ended 31st March, 2020
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding actual return on plan asset	(0.20)	(0.83)
Actuarial loss arising from changes in financial assumptions	5.79	(4.69)
Experience gains/(losses) arising on experience adjustments	(55.50)	2.06
Net impact on the Other Comprehensive Income before tax	**(49.91)**	**(3.46)**

E. Assets

	Gratuity	
	As at 31st March, 2021	As at 31st March, 2020
Insurer managed fund	165.48	139.21
Total	**165.48**	**139.21**

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, 2021	As at 31st March, 2020
Financial Assumptions		
Discount rate	6.96%	6.82%
Salary Escalation Rate	4%~6%	4%~6%
Attrition rate	2.00%	2.00%

Demographic Assumptions
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, 2021			As at 31st March, 2020		
	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%	(36.46)	45.67	1%	(24.33)	30.28
Salary Escalation Rate	1%	45.12	(36.72)	1%	30.00	(23.28)
Attrition rate	1%	(2.23)	2.65	1%	(1.64)	1.96

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 year end 31st March, 2021 as follows:

Gratuity :	As at 31st March, 2021	As at 31st March, 2020
2021	-	4.48
2022	6.32	3.29
2023	4.75	3.33
2024	4.91	3.44
2025	5.21	3.65
2026	5.51	-
Thereafter	929.54	587.24

Risk Exposure - 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.

(ii). Compensated absences
The leave obligations cover the Company's liability for sick and earned leave.

The amount of the provision of Rs. 40.18 lakhs (31st March, 2020 - Rs. 29.24 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. 35.80 lakhs (31st March, 2020 - Rs. 41.72 lakhs).

(All amounts are in Rs. lakhs, unless stated otherwise)

Note-29 : Earnings per share

		Year ended 31st March, 2021	Year ended 31st March, 2020
Basic & Diluted			
Profit for the year	A	108.63	229.99
Weighted average number of shares (in numbers)	B	80,54,372	80,54,372
Basic& diluted earning per share (Rs.)	A/B	1.35	2.86
Nominal value per equity share (in Rs.)		10.00	10.00

Note-30: Assets given as security

The carrying amounts of assets provided as security for current borrowings against Limit sanctioned are:

	As at 31st March, 2021	As at 31st March, 2020
Current Assets		
First Charge		
Inventories	214.64	145.56
Trade receivables	57.37	72.32
Total Current assets given as security	**272.01**	**217.88**
Second Charge		
Property,Plant & Equipment	620.97	669.97
Total Non-Current Assets given as Security	**620.97**	**669.97**
Total Assets given as security	**892.98**	**887.85**

Note 31: Contingent liabilities (to the extent not provided for)

	As at 31st March, 2021	As at 31st March, 2020
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 uncertainties are dependent on the outcome of the different legal processes. 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.

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-32 : 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.
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.

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	Level 3	
Financial Assets													
Investments	-	143.17	143.17	-	143.17	-	143.17	-	-	-	-	-	143.17
Loans	-	1,310.00	1,310.00	-	-	-	-	-	-	-	-	1,310.00	1,310.00
Other Financial Assets	2.58	15.88	18.46	-	-	-	-	-	-	-	-	18.46	18.46
Trade receivable	-	618.97	618.97	-	-	-	-	-	-	-	-	618.97	618.97
Cash and Cash Equivalents	-	52.54	52.54	-	-	-	-	-	-	-	-	52.54	52.54
	2.58	**2,140.56**	**2,143.14**	**-**	**143.17**	**-**	**143.17**	**-**	**-**	**-**	**-**	**1,999.97**	**2,143.14**
Financial Liabilities													
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Payables	-	145.78	145.78	-	-	-	-	-	-	-	-	145.78	145.78
Other financial liabilities	-	99.71	99.71	-	-	-	-	-	-	-	-	99.71	99.71
	-	**245.49**	**245.49**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**245.49**	**245.49**

Financial Assets and Liabilities as at 31st March, 2020				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 3	
Financial Assets													
Investments	-	134.47	134.47	-	134.47	-	134.47	-	-	-	-	-	134.47
Loans	-	1,300.00	1,300.00	-	-	-	-	-	-	-	-	1,300.00	1,300.00
Other Financial Assets	2.58	19.97	22.55	-	-	-	-	-	-	-	-	22.55	22.55
Trade receivable	-	434.02	434.02	-	-	-	-	-	-	-	-	434.02	434.02
Cash and Cash Equivalents	-	0.69	0.69	-	-	-	-	-	-	-	-	0.69	0.69
	2.58	**1,889.15**	**1,891.73**	**-**	**134.47**	**-**	**134.47**	**-**	**-**	**-**	**-**	**1,757.26**	**1,891.73**
Financial Liabilities													
Borrowings	-	12.76	12.76	-	-	-	-	-	-	-	-	12.76	12.76
Trade Payables	-	162.19	162.19	-	-	-	-	-	-	-	-	162.19	162.19
Other financial liabilities	-	82.40	82.40	-	-	-	-	-	-	-	-	82.40	82.40
	-	**257.35**	**257.35**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**257.35**	**257.35**

Note:-
Financial assets and Financial liabilities, considering the nature of rights and obligations with relevant terms including receivable/payable within 12 months from the reporting date, fair value is reasonable considered to be carrying amount as at reporting date and it includes
- Trade receivables
- Cash and cash equivalents
- Other financial assets
- Loans
- Trade Payables
- Other financial liabilities

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-33 : Financial Risk Management

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. The Company 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- 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 by a derivative instrument or otherwise is Euro 0.07 million (31st March, 2020: Euro 0.09 million) and corresponding equivalent amount in INR -Rs 57.37 lakhs (31st March, 2020: Rs 72.32 lakhs)

Foreign Currency Risk Sensitivity
A change of 1% in Foreign currency would have following Impact on profit before tax

	2020-2021		2019-2020	
	1% Increase	1% decrease	1% Increase	1% decrease
EURO	0.59	(0.59)	0.69	(0.69)
Increase / (decrease) in profit or loss	0.59	(0.59)	0.69	(0.69)

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 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. Where loans or receivables have been provided, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in statement of profit and loss.

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-33 : Financial Risk Management

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.

Ageing of Account receivables

	As at 31st March, 2021	As at 31st March, 2020
Not due	414.01	236.54
0-3 months	204.96	197.48
3-6 months	-	-
6 months to 12 months	-	-
beyond 12 months	-	-
Total	**618.97**	**434.02**

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, 2021	As at 31st March, 2020
Floating rate		
Expiring within one year (Cash credit facility)	200.00	187.24
Total	**200.00**	**187.24**

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 2021					
Trade Payable	134.37	3.33	8.08	-	145.78
Employee benefits payable	42.45	-	42.38	-	84.83
Total	176.82	3.33	50.47	-	230.61
As at 31st March 2020					
Trade Payable	147.96	10.19	4.04	-	162.19
Employee benefits payable	29.81	-	41.69	-	71.50
Total	177.77	10.19	45.73	-	233.69

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 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.

(b) Dividend

The Company has not paid any dividend for the current year as well as previous year.

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 35 : 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
i) Raymond Limited

b. Holding Company
ii) JK Files (India) Limited

Other related parties with whom transactions have taken place during the period:

c.Fellow Subsidiary Companies with whom transactions have taken place during the period:
i) Raymond Apparel Limited (RAL)
ii) Raymond UCO Denim Limited (R-UCO)

d.Associate Enterprise Companies with whom transactions have taken place during the period:
i) Ray Global Consumer Trading Limited (Ray Global)

e.Other significant influence
i) MOB Mondellin SAS, France

f. Key Management Personnel
i) Non executive Director - Mr. Ganesh Kumar Subramanian
ii) Non executive Director - Mr. Arnaud Moulin
iii) Non executive Director - Mr. Srinivasan Subramanian Ganapathy

g.Trust
i) 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, 2021							As at 31st March, 2020						
	Raymond Ltd	J K Files (India) Ltd	MOB Mondellin SAS	RAL	R-UCO	Ray Global	JKTL Trust	Raymond Ltd	J K Files (India) Ltd	MOB Mondellin SAS	RAL	R-UCO	Ray Global	JKTL Trust
Sales:														
Sale of products	-	1,781.63	192.22	-	-	-	-	-	2,003.41	277.30	-	-	-	-
Sale of licences/Certificates	-	5.65	-	-	-	-	-	-	11.09	-	-	-	-	-
Sale of property,plant and equipment	-	54.27	-	-	-	-	-	-	11.09	-	-	-	-	-
Purchases:-														
Purchase of property,plant and equipment	-	4.54	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of raw material and stock-in-trade	-	619.79	-	-	-	-	-	-	631.93	-	-	-	-	-
Expenses:-														
Salaries, wages, bonus, etc	-	10.50	-	-	-	-	-	-	15.82	-	-	-	-	-
Legal and Professional Expenses	0.74	-	-	-	-	-	-	0.77	-	-	-	-	-	-
Workmen and Staff welfare expenses	-	-	-	-	-	-	-	2.32	-	-	-	-	-	-
Insurance	1.15	-	-	-	-	-	-	0.13	-	-	-	-	-	-
Miscellaneous Expenses	0.70	-	-	-	-	-	-	0.60	-	-	-	-	-	-
Other Transaction:-														
Inter Corporate loan Given *	-	-	-	-	-	10.00	-	-	-	-	300.00	1,750.00	-	-
Inter Corporate loan repayment received *	-	-	-	-	-	-	-	-	-	-	1,000.00	750.00	-	-
Inter Corporate loan Received*	-	-	-	-	-	-	-	-	750.00	-	-	-	-	-
Inter Corporate loan repaid *	-	-	-	-	-	-	-	-	750.00	-	-	-	-	-
Interest received on inter company loan	-	-	-	25.50	85.00	0.15	-	-	-	-	20.49	86.05	-	-
Interest expenses on inter company loan	-	-	-	-	-	-	-	-	8.03	-	-	-	-	-
Paid to trust - Employees Gratuity fund contribution	-	-	-	-	-	-	16.98	-	-	-	-	-	-	10.42
Outstanding:-														
Trade Payable	0.21	-	-	-	-	-	-	1.77	-	-	-	-	-	-
Interest Accrued but not due	-	-	-	-	15.73	0.14	-	-	-	-	5.72	14.25	-	-
Trade Receivables	-	561.60	57.37	-	-	-	-	-	361.71	72.31	-	-	-	-
ICD Loan Receivable *	-	-	-	300.00	1,000.00	10.00	-	-	-	-	300.00	1,000.00	-	-

* Inter corporate deposits were provided to group companies to meet their working capital requirements.

J K Talabot Limited
Notes to the financial statements for the year ended 31st March, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 36 : 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		France		Rest of the world		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segment Revenue *	1,823.00	2,044.68	192.22	277.30	3.81	4.55	2,019.03	2,326.53
Carrying cost of segment Non Current Assets **	691.20	864.23	-	-	-	-	691.20	864.23

* Based on location of Customers
** Excluding financial assets and deferred tax assets

(iii) The Company deals with two parties JK Files (India) Limited and MOB Mondellin SAS, France who contribute majorly to the revenue. (Refer note 35)

Note 37: Covid 19 Assessment

The ongoing corona pandemic is profoundly impacting people's health, societies and business operations around the globe. In many countries, including India, there has been severe disruption to regular business operations due to lockdowns, disruptions in transportation, supply chains, travel restrictions, quarantines, social distancing and other emergency measures.

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's strong contingency plans are in place to secure operations and supply chain so that files manufacturing production continues. Further, there are significant geographic and buyback arrangements with existing customers that will continue to drive growth in mid and long term.

The Company has made detailed assessments of the recoverability and carrying values of its assets comprising property, plant and equipment, inventories, receivables and other current assets as at the balance sheet date and on the basis of evaluation, has concluded that no significant impact on its financial statement as at 31st March, 2021. 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 38 : The Financial Statements were authorised for issue by the directors on April 30, 2021.

As per our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Sd/-

Arunkumar Ramdas
Partner
Membership Number - 112433
Date: April 30, 2021

Mumbai
Date: April 30, 2021

For and on behalf of the Board of Directors

Sd/-

Ganesh Kumar Subramanian
Director
DIN: 00088163

Sd/-

Srinivasan Ganapathy
Director
DIN: 07379783

Sd/-

Sd/-

Waqar Siddiqui
Company Secretary

Mumbai
Date: April 30, 2021

PASHMINA HOLDINGS LIMITED

ANNUAL REPORT 2020-21

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 of PASHMINA HOLDINGS LIMITED

Your Directors present their Thirty Seventh Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2021.

1. FINANCIAL HIGHLIGHTS/ OPERATIONAL PERFORMANCE

The Company made a profit of Rs. 0.15 Crore as compared to a profit of Rs. 0.46 Crores in FY 2019-20.

2. DIVIDEND

In order to conserve resources, no dividend has been recommended for the FY 2020-21.

3. RESERVES

Your company has not transferred any amount to the reserves of the Company.

4. STATUTORY AUDITOR:

Messrs. V. B. Dalal & Co., Chartered Accountants (ICAI Firm Registration Number 102055W) are the statutory auditors of the Company for the year ended March 31, 2021. Their appointment as statutory auditor to hold office is valid from the conclusion of the 33rd Annual General Meeting of the Company till the conclusion of the 38th Annual General Meeting 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, 2021 was Rs. 74 Lakh. During the year under review, the Company has not issued any shares. As on March 31, 2021, 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 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 Subhash Thakker, 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 Meetings held and Attendance of Directors at the Meetings is given below:

Sr. No.	NAME OF DIRECTOR	DATE OF BOARD MEETING			
		24.06.2020	10.09.2020	07.11.2020	03.02.2021
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

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.

11. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year 2020-2021 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, a disclosure in form AOC - 2 is not required.

12. RISK MANAGEMENT

The Company is exposed to business risks and compliance risks. These risks are assessed and steps, when deemed as appropriate, are taken to mitigate such risks.

13. 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.

14. DIRECTORS' RESPONSIBILITY STATEMENT

a. 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:
b. that in the preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
c. 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, 2021 and of the profit of the Company for the year ended on that date;

d. 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;
e. that the directors have prepared the annual accounts on a going concern basis; and
f. 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

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

A copy of draft Annual Return for F.Y. 2020-21 has been placed at www.raymond.in

17. 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.

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. 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.

20. 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.

21. 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.

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
PASHMINA HOLDINGS LIMITED

Sd/-	**Sd/-**
S. L. Pokharna	**Subhash Thakker**
Director	**Director**
DIN: 01289850	**DIN: 07062791**

Date: April 30, 2021
Place: Mumbai

V. B. DALAL & CO.
Chartered Accountants
Office # 235, 2nd Floor, "C" Wing, Rahul Mittal Industrial Eastate,
Andheri Kurla Road, Andheri (EAST), Mumbai - 400 059
Phone : 49720579 / 49784572
Website : www.vbdalal.com E-mail : vbdalal@vbdalal.com

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
PASHMINA HOLDINGS LIMITED

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **PASHMINA HOLDINGS LIMITED** (`the Company'), which comprises the Balance Sheet as at **March 31 2021**, 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 Ind AS 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 Ind AS 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 March 31, 2021, and profit/loss, (changes in equity) and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 Ind AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Ind AS 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 Board's Report including Annexure to Board's Report, but does not include the Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS 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 report that fact. We have nothing to report in this regard.

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

In preparing the Ind AS 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.

Auditors' Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS Financial Statements.

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

• Identify and assess the risks of material misstatement of the Ind AS 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 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 Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS 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 preludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('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 and 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 standalone Ind AS 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 written representations received from the directors as on March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, 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 litigation pending and hence there is no impact on its financial position in the aforesaid Ind AS Financial Statements.

   ii. The company did not have any long term contract including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Sd/-

FOR V. B. DALAL & CO.
CHARTERED ACCOUNTANTS

Place: Mumbai
Dated: 30/04/2021
UDIN: 21010373AAAAMG6576

Sd/-

(V. B. DALAL)
PROPRIETOR
M.No.10373
F.R.No.102055

PASHMINA HOLDINGS LIMITED

ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF PASHMINA HOLDINGS LIMITED

Referred to in paragraph 1 of Report on other Legal and Regulatory Requirements of our report of even date.

On the basis of such checks as we considered appropriate and in terms of the information & explanation given to us, we report that:

1. As explained to us and on the basis of such checks as we considered appropriate, the item no. (ii) (ix), (xi), (xii), (xiv) and (xvi) of the Para. 3 of the order, in our opinion, not applicable to the Company and hence not commented upon by us.

2. a. The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

   b. The Fixed assets have been physically verified by the management at reasonable intervals; According to the information and explanations given to us no material discrepancies were noticed on such verification;

   c. The title deeds of all the immovable properties are in the name of the Company, except for 2.2125 acres of land at Gat No. 319 and 311/1 at Awas and Jirad, District Alibaug, Maharashtra, which are in the name of a nominee of the Company.

3. 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 Companies Act, 2013.

4. In our opinion and according to the information and explanation given to us, the provisions of section 185 and 186 have been duly complied with in respect of loans, investments, guarantees given by the Company.

5. According to the information and explanations given to us and to the best of our knowledge, the company has not accepted any deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under;

6. Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act for the year under review.

7. a) According to the record of the company, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it with the appropriate authorities.

   b) According to the information and explanation given to us there are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute and the forum where dispute is pending are as disclosed in Note 13(6) to the Ind AS financial statement.

8. Based on our audit procedure and on the information and explanation given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders.

9. Based upon the audit procedure performed and information and explanation given by the management, we report that no fraud on the company or by its officers or employees has been noticed or reported during the course of our audit.

10. Based upon the audit procedure performed and information and explanation given by the management, we report that all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013, and details thereof have been disclosed in the Ind AS Ind AS Financial Statements as required by the applicable accounting standards.

11. Based on our audit procedure and on the information and explanation given by the management, we are of the opinion that the Company has not entered into any non cash transaction with directors or any person connected to him.

Sd/-
FOR V. B. DALAL & CO.
CHARTERED ACCOUNTANTS

Place: Mumbai
Dated: 30/04/2021
UDIN: 21010373AAAAMG6576

Sd/-

(V. B. DALAL)
PROPRIETOR
M.No.10373
F.R.No.102055W

PASHMINA HOLDINGS LIMITED

ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE *Ind AS* IND AS FINANCIAL STATEMENTS OF PASHMINA HOLDINGS LIMITED

Referred to in paragraph 2(f) of Report on other Legal and Regulatory Requirements of our report of even date

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 March 31, 2021 in conjunction with our audit of the Ind AS Ind AS 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 Control over Financial Reporting ("the Guidance Note") issued by the ICAI and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of the material misstatement of the Ind AS Ind AS 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 Ind AS Ind AS 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 Ind AS Ind AS 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 Ind AS Ind AS 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 controls over financial reporting were operating effectively as at March 31, 2021, 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.

Sd/-
FOR V. B. DALAL & CO.
CHARTERED ACCOUNTANTS

Place: Mumbai
Dated: 30/04/2021
UDIN: 21010373AAAAMG6576

Sd/-
(V. B. DALAL)
PROPRIETOR
M.No.10373
F.R.No.102055W

Pashmina Holdings Limited
Balance Sheet as at 31st March, 2021

	Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
I	ASSETS			
1	Non-current Assets			
	(a) Property, Plant and Equipment	2	90,528,319	90,586,108
	(b) Financial Assets			
	(i) Investments	3	3,086,316	1,137,504
	(ii) Others financial assets	4	70,800	60,800
2	Current assets			
	(a) Financial Assets			
	(i) Investments	3	38,891,975	27,542,735
	(ii) Cash and cash equivalents	5	516,679	10,592,930
	(b) Assets for Current Tax (Net)		1,981,009	1,837,561
	TOTAL ASSETS		135,075,097	131,757,638
II	EQUITY AND LIABILITIES			
1	Equity	6		
	a) Equity share capital		7,400,000	7,400,000
	b) Other equity			
	(i) Reserves & Surplus		123,969,301	122,600,654
	(ii) Other Reserves (OCI)		3,682,196	1,733,384
2	Liabilities			
	Current liabilities			
	(a) Financial Liabilities			
	(i) Other financial liabilities	7	23,600	23,600
	(b) Other Current Liabilities			
	(i) Statutory Dues		-	-
	TOTAL LIABILITIES		135,075,097	131,757,638
	Significant Accounting Policies	1		

As per our Report of even date
For V.B. DALAL & CO.
Chartered Accountants

Sd/-
Proprietor
Membership No. 10373
F. R. No. 102055W
Mumbai,
Date : 30/04/2021

Sd/-
Mr. Subhash Thakker
Director
DIN: 07062791

Sd/-
Mr. Shantilal Pokharna
Director
DIN: 01289850

Pashmina Holdings Limited
Statement of Profit and Loss for the year ended 31st March, 2021

	Particulars	Note No.	Year ended 31st March, 2021	Year ended 31st March, 2020
I	Other Income	8	1,638,755	4,849,295
	Total Income		1,638,755	4,849,295
II	Expenses			
	Depreciation expense	9	57,789	57,789
	Other expenses	10	125,667	220,429
	Total expenses		183,456	278,218
III	Profit/(Loss) before tax (I - II)		1,455,299	4,571,077
IV	Tax expense			
	Current tax	11	227,027	626,600
	MAT Credit for the year		-	-
	MAT Credit of Earlier years		(140,375)	-
			86,652	626,600
V	Profit/(Loss) after tax for the period (III - IV)		1,368,647	3,944,477
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		1,948,812	(1,442,790)
			1,948,812	(1,442,790)
VII	Total Comprehensive Income for the year (V+VI)		3,317,459	2,501,687
VIII	Earnings per equity share	12		
	Basic		1.85	5.33
	Diluted		1.85	5.33
	Significant Accounting Policies	1		

As per our Report of even date
For V.B. DALAL & CO.
Chartered Accountants

Sd/-
Proprietor
Membership No. 10373
F. R. No. 102055W
Mumbai,
Date : 30/04/2021

Sd/-
Mr. Subhash Thakker
Director
DIN: 07062791

Sd/-
Mr. Shantilal Pokharna
Director
DIN: 01289850

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021

	Year Ended 31st March, 2021		Year Ended 31st March, 2020	
	Rs.	Rs.	Rs.	Rs.
A. Cash Flow arising from Operating Activities:				
Net Profit before Tax as per Profit and Loss Statement		1,455,299		4,571,077
Add/(Deduct): a) Depreciation Charge	57,789		57,789	
b) Short Term Capital Loss (Switch Out of Kotak Mf)	-		180,086	
c) Bank Charges	-		0	
d) Dividend Income & Fair Valuation	(1,368,755)	(1,310,966)	(1,618,713)	(1,380,838)
Operating Cash Profit before Working Capital Changes		144,333		3,190,239
Add/(Deduct): a) (Increase)/Decrease in Other Financial Assets	-10,000		-	
b) Increase/(Decrease) in Trade and Other Payables	-		(70,000)	
		(10,000)		(70,000)
Cash Inflow from Operations		134,333		3,120,239
Add/(Deduct):				
Direct Taxes Refund / (paid) - Net		(230,100)		6,879,425
Cash Inflow/(Outflow) before Prior Period Adjustments		(95,767)		9,999,664
Add/Deduct: Prior Period Adjustments		-		-
Net Cash Inflow/(Outflow) in the course of Operating Activities		(95,767)		9,999,664
B. Cash Flow arising from Investing Activities:				
Inflow:				
a) Dividend and Income from Mutual Funds	19,516		41,820	
Outflow: a) Acquisition of Current Investments-Net	10,000,000	(9,980,484)		41,820
Net Cash Inflow/(outflow) in the course of Investing Activities		(9,980,484)		41,820
Net Increase (Decrease) in Cash/Cash Equivalents (A + B)		(10,076,251)		10,041,484
Add: Balance at the beginning of the year		10,592,930		551,446
Cash/Cash Equivalent at the close of the year		516,679		10,592,930

As per our Report of even date
For V.B. DALAL & CO.
Chartered Accountants

Sd/-
Proprietor
Membership No. 10373
F. R. No. 102055W
Mumbai,
Date : 30/04/2021

Sd/-
Mr. Subhash Thakker
Director
DIN: 07062791

Sd/-
Mr. Shantilal Pokharna
Director
DIN: 01289850

Note 1 - Significant accounting policies and other Notes to the Financial Statements

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.

The accounting policies are applied consistently to all the periods presented in the financial statements.

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. The Company follows the Mercantile System of accounting.

D. Investments and other financial assets

(i) Classification

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

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

(ii) 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:

a. Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principle 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 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 subsequently measures all equity investments 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) 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.

E. 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.

Leases : 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.

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 asset 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.

Depreciation methods, estimated useful lives and residual value

Depreciation on Vehicles and Electrical Installations is provided on a Straight Line Method, over the estimated useful life of assets.

F. 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.

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.

G. 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.

H. 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 .

I. Segment Reporting :

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

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 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.

Pashmina Holdings Limited
Notes to the financial statements for the year ended 31st March, 2021
Note :- 2 - Property, Plant and Equipment

	Particulars	Land (freehold)*	Electical Installations	Total
A	Deemed Cost			
	Balance as at 1st April 2019	90,270,303	604,750	90,875,053
	Additions	-	-	-
	Disposals		-	-
	Balance as at 31st March 2020	90,270,303	604,750	90,875,053
	Additions			-
	Disposals	-	-	-
	Balance as at 31st March 2021	90,270,303	604,750	90,875,053
B	Accumulated Depreciation			
	Balance as at 1st April 2019	-	231,156	231,156
	Additions	-	57,789	57,789
	Disposals	-	-	
	Balance as at 31st March 2020	-	288,945	288,945
	Additions	-	57,789	57,789
	Disposals	-	-	-
	Balance as at 31st March 2021	-	346,734	346,734
C	Net Block (A-B)			
	Balance as at 31st March 2020	90,270,303	315,805	90,586,108
	Balance as at 31st March 2021	90,270,303	258,016	90,528,319

Pashmina Holdings Limited

Notes to the financial statements for the year ended 31st March, 2021

Note 3 - Financial Assets - Investments

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-current investments		
A. Equity instruments		
Fair value through Other Comprehensive Income		
Quoted		
J.K. Tyre & Industries Limited (27880 Equity Shares of Rs.2 each)	3,086,316	1,137,504
Total (A)	3,086,316	1,137,504
Current investments		
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)]	2,947,280	2,797,757
Kotak Liquid Fund Direct Plan Growth (Units of Rs. 1000 each) [6163.334 Units (P.Y.- 6163.334 Units)]	25,633,603	24,744,979
SBI Liquid Fund Direct Growth(Units of Rs. 1000 each) [3200.593 Units (P.Y.- 3200.593 Units)]	10,311,092	-
Total (B)	38,891,975	27,542,735
Investments total (A+B)	41,978,291	28,680,239

Note 4 - Financial Assets - Others financial assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-current Assets		
Considered good		
Security Deposits		
Deposits with others	70,800	60,800
Total	70,800	60,800

Pashmina Holdings Limited
Notes to the financial statements for the year ended 31st March, 2021
Note 5 - Current assets
Cash and cash equivalents

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with Banks		
In current accounts	516,679	10,592,930
Total	516,679	10,592,930

Note 6 - Equity
(a) Equity Share capital

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised		
1000 [31st March, 2020: 1000] Cumulative Preference Shares of Rs.100 each	100,000	100,000
10,00,000 [31st March, 2020: 10,00,000] Equity Shares of Rs.10 each	10,000,000	10,000,000
Issued, subscribed and fully paid up		
7,40,000 [31st March, 2020: 7,40,000] Equity Shares of Rs.10 each	7,400,000	7,400,000
	7,400,000	7,400,000

i) Reconciliation of number of shares

	As at 31st March, 2021		As at 31st March, 2020	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	740,000	7,400,000	740,000	7,400,000
Add: ESOP shares issued during the year	-	-	-	-
Balance as at the end of the year	740,000	7,400,000	740,000	7,400,000

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) Shares held by Parent and subsidiaries of Parent in aggregate

	As at 31st March, 2021	As at 31st March, 2020
Equity Shares of Rs. 10 held by:		
7,40,000 [31st March, 2020: 7,40,000 shares] held by Parent-Raymond Limited	740,000	740,000

Pashmina Holdings Limited
Statement of Changes in Equity for the year ended 31st March, 2021
Note 6 - Equity
(b) Other Equity

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 01.04.2019	65,000,000	50,000	53,606,177	118,656,177	3,176,174	121,832,351
Add : Profit for the year			3,944,477	3,944,477		3,944,477
Add : Other Comprehensive Income for the year				-	(1,442,790)	(1,442,790)
Balance as at 31.03.2020	65,000,000	50,000	57,550,654	122,600,654	1,733,384	124,334,038
Add : Profit for the year			1,368,647	1,368,647		1,368,647
Add : Other Comprehensive Income for the year				-	1,948,812	1,948,812
Balance as at 31.03.2021	65,000,000	50,000	58,919,301	123,969,301	3,682,196	127,651,497

Note 7 - Current Liabilities - Other current financial liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Audit Fees	23,600	23,600
Total	23,600	23,600

Pashmina Holdings Limited
Notes to the financial statements for the year ended 31st March, 2021
Note 8 - Other income

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Dividend Income on:		
I] Investment measured at FVTPL	-	1,450,254
II] Investment measured at FVTOCI	19,516	41,820
Rent and compensation	270,000	270,000
Interest on Income Tax Refund	-	2,461,082
Interest on PNB Housing Corporate Deposit	-	477,000
Changes in fair value of FVTPL investments	1,299,097	126,639
Gain on Redemption of Mutual Fund	50,142	
Miscellaneous Income		22,500
Total	1,638,755	4,849,295

Note 9 - Depreciation and amortization expense

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Depreciation on Property, Plant and Equipment	57,789	57,789
Total	57,789	57,789

Note 10 - Other expenses

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Rentals	-	-
Auditor's Remuneration	23,600	23,600
Legal and Professional Expenses	88,402	2,750
Loss on redemption on Mutual Fund		180,086
Miscellaneous Expenses *	13,665	13,993
Total	125,667	220,429

* Miscellaneous expenses include:

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Bank Charges	2,301	1,180
Interest paid on Income Tax	7,971	-
ROC Filling Fees	-	3,210
Office and General Expenses	3,000	603
Brokerage on PNB FD maturity		9,000
Short provision of Earlier year	393	-
Total	13,665	13,993

Note 11: Income Taxes

A. Tax expense recognised in the Statement of Profit and Loss

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Current year	227,027	626,600
Total current tax	227,027	626,600
MAT credit for the year	-	-
Deferred tax		
Origination and reversal of temporary difference	-	-
Change in tax rates	-	-
Total deferred income tax expense/(credit)	-	-
MAT Credit in respect of earlier years	-	-
Total income tax expense/(credit)	227,027	626,600

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

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Profit before tax	1,455,299	4,571,077
Enacted income tax rate in India	26.00%	26.00%
Tax at India Income Tax Rate	378,378	1,188,480
Differencial in tax due to:		
i) Difference in Tax Rate	(5,215)	
ii) Expenses not deductible for tax purposes		
-Depreciation	15,025	15,025
-Interest on income tax	2,072	
-Disallowance as per rule 8D (1% of Average Investment)	-	10,182
-Others		47,129
iii) Income exempt from Income taxes		
Dividend Income & changes in fair value of FVTPL investments	(337,765)	(420,865)
Utilisation of brought forward losses	-	(213,351)
iv) Others		-
-MAT Credit in respect of earlier years	-	
-MAT Credit for the year not recognised due to uncertainty	174,532	
Tax as per Statement of Profit and Loss	227027	626600

The effective tax rate 25% +4%cess i.e. 26%

Note 12 - Earnings per share

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Earnings Per Share has been computed as under:		
Profit/(Loss) for the year	1,368,647	3,944,477
Weighted average number of equity shares outstanding	740,000	740,000
Earnings Per Share (Rs.) - Basic (Face value of Re. 10 per share)	1.85	5.33

** Diluted Earing Per Share is same as Basic Earning Per Share.

Pashmina Holdings Limited
Notes to the financial statements for the year ended 31st March, 2021

Note - 13 - 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 31.03.2021

Pariculars	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Other Financial Liabilities	-	23,600	-	-	-	23,600
Total	-	23,600	-	-	-	23,600

As at 31.03.2020

Pariculars	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Other Financial Liabilities	-	23,600	-	-	-	23,600
Total	-	23,600	-	-	-	23,600

Note - 14 - 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.

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	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investment																
- Equity instruments	3,086,316	-	3,086,316		-	-	-	3,086,316			3,086,316	-	-	-	-	3,086,316
- Mutual funds	-	38,891,975	38,891,975	38,891,975	-	-	38,891,975				-	-	-		-	38,891,975
											-				-	-
	3,086,316	38,891,975	41,978,291	38,891,975	-	-	38891975	3,086,316	-	-	3,086,316	-	-	-	-	41,978,291
Other Assets																
Other Financial Assets	70,800	-	70,800				-							70,800	70,800	70,800
Cash and Cash equalents	-	516,679	516,679				-							516,679	516,679	516,679
	3,157,116	39,408,654	42,565,770	38,891,975	-	-	38891975	3,086,316	-	-	3,086,316	-	-	587,479	587,479	42,565,770
Financial Liabilities																
Trade Payables	-	23,600	23,600											23,600	23,600	23,600
	-	23,600	23,600	-	-	-	-	-	-	-	-	-	-	23,600	23,600	23,600

Financial Assets and Liabilities as at 31st March'2020				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	1,137,504	-	1,137,504				-	1,137,504			1,137,504			-	-	1,137,504
- Mutual funds	-	27,542,735	27,542,735	27,542,735			27,542,735				-	-	-	-	-	27,542,735
			-				-				-			-	-	-
	1,137,504	27,542,735	28,680,239	27,542,735	-	-	27,542,735	1,137,504	-	-	1,137,504	-	-	-	-	28,680,239
Other Assets																
Other Financial Assets	60,800		60,800				-							60,800	60,800	60,800
Cash and Cash equalents		10,592,930	10,592,930				-							10,592,930	10,592,930	10,592,930
	1,198,304	38,135,665	39,333,969	27,542,735	-	-	27542735	1,137,504	-	-	1,137,504	-	-	10,653,730	10,653,730	39,333,969
Financial Liabilities																
Trade Payables		23,600	23,600											23,600	23,600	23,600
	-	23,600	23,600	-	-	-	-	-	-	-	-	-	-	23,600	23,600	23,600

	As at 31st March'21		As at 31st March'20	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Investments				
Equity instruments	3,086,316	3,086,316	1,137,504	1,137,504
Investment in Mutual Fund	38,891,975	38,891,975	27,542,735	27,542,735
Other Financial Assets	70,800	70,800	60,800	60,800
Cash and Cash equalents	516,679	516,679	10,592,930	10,592,930
	42,565,770	42,565,770	39,333,969	39,333,969
Financial Liabilities				
Trade Payables	23,600	23,600	23,600	23,600
	23,600	23,600	23,600	23,600

Note 15: Related party disclosures

A. Relationships

(a) Holding Company

Raymond Limited

(b) Company has other related parties but it has not entered into any transaction with them during the current or previous year.

(c) Key Management Personnel :

Directors :

Mr. Shantilal Pokharna

Mr. Subhash Thakker

Mr. Arun Agarwal (w.e.f. 03.04.2017)

Note: Related parties are as identified by the Company and relied upon by the auditors.

B. Transactions carried out with Related parties referred in A (a) above, in ordinary course of business:

Nature of Transactions	Related Parties referred in A (a)	
	2020-21	2019-20
Expenses		
Rent	-	-

Note 16: Contingent liabilities and commitments (to the extent not provided for)

(a) Contingent Liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Disputed demands in respect of Income-tax, etc. (Interest thereon not ascertainable at present)		
>Under appeal at CIT (A) level	-	-
>Under appeal at Income Tax Appellate Tribunal Level (paid Rs.68,35,355/-)	-	-
>Under appeal at High Court (paid Rs.9,73,920/-)	973,920	973,920

(b) Commitments

There were no Capital Commitment as at year end 31.03.2021 (Previous Year: Nil)

Note 17:

On 6 November 2007, the Company had entered into four separate tri-partite agreements with Pashmina Holdings 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 Company 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 Company in order to secure the specific performance of the tri-partite agreements.

Note 18:

Segment Information

Based on the management approach as defined under Ind As 108 'Operating Segment' and as the management evaluates the entire company as one business segment. There are no business segments to be reported. Further, the company has only other income.

Sd/-
As per our Report of even date
For V. B. Dalal & Co.
Chartered Accountants

Sd/-
Proprietor
Membership No. 10373
F. R. No. 102055W
Mumbai
Date : 30/04/2021

Sd/-
Mr. Subhash Thakker
Director
DIN: 07062791

Sd/-
Mr. Shantilal Pokharna
Director
DIN: 01289850

RAYMOND APPAREL LIMITED

ANNUAL REPORT 2020-21

BOARD OF DIRECTORS	:	SHRI GAUTAM HARI SINGHANIA SHRI GAUTAM TRIVEDI SHRI I.D. AGARWAL SHRI MAHENDRA DOSHI SHRI DINESH LAL (w.e.f 02-02-2021) MS. ANSHU SARIN SHRI NIRVIK SINGH (upto 22-01-2021)
COMPANY SECRETARY	:	SMT. PRITI ALKARI
STATUTORY AUDITORS	:	MESSRS. CHATURVEDI & SHAH LLP, CHARTERED ACCOUNTANTS
SECRETARIAL AUDITOR	:	MESSRS. ROBERT PAVREY & ASSOCIATES
INTERNAL AUDITORS	:	MESSRS. MAHAJAN & AIBARA, 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 Fifteenth Annual Report together with the Audited Financial Statement of Accounts for the Financial Year ended March 31, 2021.

1. FINANCIAL SUMMARY / PERFORMANCE OF THE COMPANY (STANDALONE)

This Company brings to its customers stylish and innovative wardrobe solutions through some of India's most prestigious brands – Park Avenue, Parx, Raymond Ready to Wear, Colorplus, Khadi, Ethnix. The Gross Revenue of the Company for FY 2021 stood at ₹ 437.64 crore (Previous Year: ₹ 1604.79 crore). The Company incurred Loss of ₹ 180.31 crore (Previous Year Loss: ₹ 87.02 crore).

Textile, retail and apparel businesses, irrespective of their strength, size, category and target segments, have been affected greatly by the coronavirus pandemic. The lockdowns have impacted the sales and especially in Tier 1-2 cities compared to Tier 3-6 cities.

This Company is not an exception. The Company has been severely impacted by the pandemic. Sales of the Company is driven by large retail stores mainly EBO, LFS and MBOs. These are primarily present in Tier 1-4 cities and sales have been largely impacted.

The Company have been working relentlessly to bring back the business at pre-Covid levels. There has been consistent improvement in sales after the unlock started in Q3 backed by Festival sales as well as marriages. Some of the challenges faced was the stock out/unavailability of fresh merchandise due to govt. restrictions on factories, warehouse operations & logistics during lockdowns.

The Company is assessing the impact of second wave of 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. DIVIDEND

With a view to conserve resources for the Company's growth plan, the Directors do not recommend dividend on the Equity Shares for the year under review.

3. RESERVES

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

4. SUBSIDIARY COMPANY AND CONSOLIDATED ACCOUNTS

Colorplus Realty Limited (erstwhile Colorplus Fashions Limited)

The Company registered a loss of ₹ 15.37 Lakh during the year under review.

5. CONSOLIDATED ACCOUNTS

In accordance with Rule 6 of Companies (Accounts) Rules, 2014, your Company is not required to consolidate the financial statement with its subsidiary since the Company is an intermediate wholly owned subsidiary of Raymond Limited.

6. AUDITORS

(a) Statutory Audit

Messrs. Chaturvedi & Shah LLP, Chartered Accountants (ICAI Firm Registration Number 101720W) hold office until the conclusion of the ensuing Annual General Meeting (AGM) and are eligible for re-appointment. Members of the Company at the AGM held on June 2, 2017 had approved the appointment of Messrs. Chaturvedi & Shah LLP, Chartered Accountants as the statutory auditors of the Company for a period of five years commencing from the conclusion of the 11nd AGM of the Company till the conclusion of the 16th AGM.

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 2020-21.

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 M/s Mahajan & Aibara Chartered Accountants 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 Equity Share Capital as on March 31, 2021 was Rs.2.48 crore. During the year under review, the Company has not granted stock options to the employees of the Company and to the employees of Raymond Limited, the Holding 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, if any, form part of the notes to the Financial Statements.

11. 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 Hari Singhania (DIN:00020088), Director retires by rotation at the forthcoming AGM and being eligible offers himself for re-appointment.

During the year under review, the Board of Directors at its meeting held on September 10, 2020 changed designation of Shri Gautam Trivedi (DIN: DIN: 02647162) from Independent Director to Non-executive Director. Further, the Board of Directors at its meeting held on February 02, 2021, appointed Shri Dinesh Lal (DIN: 00037142) as an Independent Director of the Company to hold office for a term of five consecutive years with effect from February 02, 2021.

Shri Nirvik Singh (DIN: 01570572) resigned as a Non- Executive Director of the Company effective from January 22, 2021 due to personal reasons. The Board places on record its sincere and deep appreciation for the services rendered by Shri Nirvik Singh during his tenure as Non- Executive Director and Member of various committees of the Board of Directors of the Company.

During the year, six Board meetings were held on April 24, 2020, June 25, 2020, September 10, 2020, November 06, 2020, January 02, 2021 and March 15, 2021.

Sr. No	Name of Director	Date of Board Meeting					
		24.04.2020	25.06.2020	10.09.2020	06.11.2020	02.02.2021	15.03.2021
1	Shri Nirvik Singh [1]	√	√	√	√	NA	NA
2	Shri Gautam Hari Singhania	LOA	√	√	√	LOA	LOA
3	Shri I.D. Agarwal	√	√	√	√	√	√
4	Smt. Anshu Sarin	√	√	√	√	√	√
5	Shri. Gautam Trivedi [2]	√	√	√	√	√	√
6	Shri Mahendra V. Doshi	√	√	√	√	√	√
7	Shri Dinesh Lal [3]	NA	NA	NA	NA	√	√

1. Shri Nirvik Singh resigned w.e.f January 22, 2021.
2. Shri Gautam Trivedi was designated as a Non-Executive Director w.e.f. September 10, 2020
3. Shri Dinesh Lal was appointed as an Independent Director w.e.f February 02, 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, 2021, 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.

12. 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 I.D. Agarwal, Member - Independent Director
3. Shri Dinesh Lal, Member - Independent Director

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

During the year, seven Audit Committee meetings were held on April 24, 2020, June 25, 2020, September 10, 2020, November 06, 2020, December 04, 2020, February 02, 2021 and March 15, 2021.

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

Sr. No.	Name of Director	Date of Meeting						
		24.04.2020	25.06.2020	10.09.2020	06.11.2020	04.12.2020	02.02.2021	15.03.2021
1	Shri Mahendra Doshi [1]	NA	NA	NA	√	√	√	√
2	Shri Gautam Trivedi	√	√	√	NA	NA	NA	NA
3	Shri I.D. Agarwal	√	√	√	√	√	√	√
4	Shri Dinesh Lal [2]	NA	NA	NA	NA	NA	NA	√
5	Shri Nirvik Singh [3]	√	√	√	√	√	NA	NA

1. Shri Mahendra Doshi was appointed as Chairman of the Audit Committee w.e.f September 10, 2020.
2. Shri Dinesh Lal was inducted as a member w.e.f February 02, 2021.
3. Shri Nirvik Singh resigned as a Director w.e.f. January 22, 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 I. D. Agarwal, Chairman - Independent Director
2. Shri Gautam Trivedi, Member - Independent 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, 2 meetings of Nomination and Remuneration Committee were held on June 25, 2020 and February 02, 2021.

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

Sr. No.	Name of Director	Date of Meeting	
		25.06.2020	02.02.2021
1	Shri I.D. Agarwal	√	√
2	Shri Gautam Trivedi	√	√
3	Shri Mahendra Doshi	√	√

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 Nirvik Singh, Member(upto 22.01.2021) - 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 - Independent 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, two meetings of Committee of Board was held on September 21, 2020 and January 22, 2021.

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

Sr. No.	Name of Director	Date of Meeting	
		21.09.2020	22.01.2021
1	Shri Gautam Hari Singhania	√	√
2	Ms. Anshu Sarin	√	√
3	Shri Gautam Trivedi	√	√

13. 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/.

14. 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.

15. 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.

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, 2021, 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, 2021 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.

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 B"** to this Report.

18. ANNUAL RETURN

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

19. 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.

20. 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, 2021 is not applicable.

21. EMPLOYEE STOCK OPTION PLAN

During the year, no Stock options (Total outstanding 7,721) were granted to eligible employees of the Company and the employees of its holding company in accordance with the Raymond Apparel Limited Employee Stock Options Plan 2018 ("RAL ESOP2018") 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.

Disclosure in terms of Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 of the Companies Act, 2013 is annexed herewith as "**Annexure C"**. Yours Directors believe that this Scheme will operate as a long term incentive to attract and retain senior managerial talent.

22. 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.

23. 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. We also thank the Central Government, the concerned State Government authorities for their support and co-operation.

For and on behalf of the Board of
RAYMOND APPAREL LIMITED

Sd/-	**Sd/-**
Gautam Hari Singhania	**Mahendra Doshi**
Director	**Director**
DIN: 00020088	**DIN: 00123243**

Place: Mumbai
Date: May 5, 2021

Annexure A

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021
[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, 2021 (**"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, 2021 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 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, except for the board meeting held on April 24, 2020 which was held at shorter notice with consent of Directors as required 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

Sd/-

Place: Mumbai
Dated: May 1, 2021

ROBERT PAVREY
Proprietor
FCS 2928 CP. No. : 1848
UDIN: F002928C000222851

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

Sd/-

Place: Mumbai
Dated: May 1, 2021

ROBERT PAVREY
Proprietor
FCS 2928 CP. No. : 1848
UDIN: F002928C000222851

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)

<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>• 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.</td></tr>
<tr><td>(ii)</td><td>the steps taken by the company for utilizing alternate sources of energy;</td><td>There was no alternate source of energy used during the period under review.</td></tr>
<tr><td>(iii)</td><td>the capital investment on energy conservation equipment's;</td><td>The Company has invested NIL amount on energy conversation equipment's.</td></tr>
<tr><td>(B)</td><td colspan="2">Technology absorption-</td></tr>
<tr><td>(i)</td><td>the efforts made towards technology absorption;</td><td>Due to impact of Covid-19 pandemics no action taken.</td></tr>
<tr><td>(ii)</td><td>the benefits derived like product improvement, cost reduction, product development or import substitution;</td><td>• Improvement in quality
• Some of the embellishments previously procured from overseas sources now locally developed.</td></tr>
<tr><td>(iii)</td><td>in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-</td><td rowspan="5">Not applicable</td></tr>
<tr><td>(a)</td><td>the details of technology imported;</td></tr>
<tr><td>(b)</td><td>the year of import;</td></tr>
<tr><td>(c)</td><td>whether the technology been fully absorbed;</td></tr>
<tr><td>(d)</td><td>if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and</td></tr>
<tr><td>(iv)</td><td>the expenditure incurred on Research and Development</td><td>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.</td></tr>
<tr><td>(C)</td><td colspan="2">Foreign exchange earnings and Outgo –</td></tr>
<tr><td></td><td>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</td><td>During the year foreign exchange earnings was ₹ 2.77 crore (Previous Year: ₹ 10.59 crore). The Foreign Exchange outgo during the year was ₹ 18.66 crore (previous year ₹ 168.84 crore).</td></tr>
</table>

Annexure C

Sr. No.	Particulars	RAL ESOP2019
1.	Number of options outstanding on April 2020	33,692
2.	Options Granted during April 2020 to March 2021	Nil
3.	Options vested during April 2020 to March 2021	Nil
4.	Options exercised during April 2020 to March 2021	Nil
5.	Date of Shareholders' Approval for the scheme	March 15, 2018
6.	Total number of shares arising as a result of exercise of options	33,692
7.	Options lapsed during April 2020 to March 2021	25,971
8.	The exercise price	Rs.10/-
9.	Variation of terms of options	None
10.	Money realised by exercise of Option	Nil
11.	Total number of options in force as on March 31, 2021	7,721
12.	Vesting Requirements	-
13.	Method used to account for ESOS	-
14.	Employee wise details of options granted to:	
	i. Key Managerial Personnel	Nil
	ii. Any other employee who receives a grant in any one year of option amounting to five percent or more options granted during that year. a) Shri K.A. Narayan – 3,227	
	iii. 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
15.	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	
	a) The weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk free interest rate and any other inputs to the model;	-
	b) The method used and the assumptions made to incorporate the effects of expected early exercise;	-
	c) How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	-
	d) Whether and how any other features of the option grant were incorporated into the measurement of fair value such as market condition.	-

INDEPENDENT AUDITOR'S REPORT

To the Members of Raymond Apparel Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone financial statements of Raymond Apparel Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss (including other Comprehensive income), 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 standalone Ind AS 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, 2021 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.

Emphasis of Matter Para

We draw your attention to Note No.44, to the standalone 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 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 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 standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with 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, 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 aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 36 to the financial statements;

b. The Company has no long-term contracts including derivative contracts as at March 31, 2021**;**

c. 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, 2021

For Chaturvedi & Shah LLP
Chartered Accountants
Firm's Registration No. - 101720W/W100355

Sd/-

Lalit R. Mhalsekar
Partner
Membership No.103418

UDIN No.: 21103418AAAADI7334

Place: Mumbai
Date: May 5, 2021

Annexure A to Independent Auditor's Report – March 31, 2021 on the Financial Statements of Raymond Apparel Limited

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of Raymond Apparel Limited ('the Company') on the Ind AS financial statements for the year ended March 31, 2021, we report the following:

1. (a) The company has maintained proper records showing full particulars, including quantitative details and location of fixed assets.

   (b) According to the information and explanation given to us, the Property Plant and Equipment (PPE) have not been physically verified by the Management during the year due to limitations imposed by the Covid-19 Pandemic, in terms of the managements planned programme of verifying PPE once in three years.

   (c) According to information and explanations given to 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 except for the following where the company is in the process of transferring the title deeds in its name as these were acquired through Scheme of arrangement.

(Amount in Rs. Lakhs)

Particulars	Land	Building
No of cases	2	2
Gross Block as on 31st March 2021	34.28	88.83
Net Block as on 31st March 2021	34.28	78.75

2. The physical verification of inventory has been conducted by the management excluding inventory with third parties. In our opinion, the frequency of such verification is reasonable. In respect of Inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of accounts.

3. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly paragraph 3(iii) of the Order is not applicable to the Company.

4. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. In our opinion and according to information and explanation given to us, the Company has complied with the applicable provisions of Section 186 of the Act.

5. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from public in accordance with relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

6. The Central Government of India has not specified the maintenance of cost record under sub-section (1) of section 148 of the Act for any of the products of the Company.

7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees’ State Insurance, Sales Tax, Service Tax, Goods and Service Tax (GST) ,Customs Duty, Value Added Tax (VAT), Entry Tax, Income Tax, Wealth Tax and other material statutory dues applicable to the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Sales Tax, Service Tax, Customs Duty, Value Added Tax, Entry Tax (VAT), Income Tax, Wealth Tax, and Cess were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

   (b) The particulars of dues of Income Tax, Sales tax, duty of excise and value added tax as at March 31, 2021 which have not been deposited on account of dispute are as follows:

(In Lakhs)

Name of Statute	**Nature of Dues**	**Amount**	**Period to which the amount relates**	**Forum where the dispute is pending**
Central Sales Tax Act,1956	Central Sales Tax	18.45	1999-2000	Appellate Tribunal
Central Sales Tax Act,1956	Central Sales Tax	34.20	2001-02, 2002-03,2003-04,2004-05,2005-06, 2008-09,2009-10, 2010-11,2011-12,2012-13,2014-15,2015-16,2016-17,2017-18	Deputy Commissioner of Sales Tax
Central Sales Tax Act,1956	Central Sales Tax	704.77	2012-13,2014-15,2015-16	Sr. Joint Commissioner of Sales tax
Central Sales Tax Act,1956	Central Sales Tax	195.46	2008-09,2011-12,,2013-14,2015-16,2016-17	Jt. Commissioner of Sales Tax(Appeals)

Central Sales Tax Act,1956	Central Sales Tax	270.03	2008-09	Assistant Commissioner
WB Value Added Tax Act,2003	Value Added Tax	25.81	2014-15	Sr. Joint Commissioner of sales tax
Maharashtra Value added Tax Act,2002	Value Added Tax	21.80	2008-09, & 2012-13	Jt. Commissioner of Sales Tax
Maharashtra Value added Tax Act,2002	Value Added Tax	29.28	2013-14	Jt. Commissioner of Sales Tax
Central Excise Act,1944	Excise Duty	6.52	2001-2004	Commissioner of Central Excise (Appeals)
Income Tax Act,1944	Fringe Benefit Tax	12.24	2006-07	Commissioner (Appeals)
Income Tax Act,1944	Income Tax	10.91	2011-12	Commissioner (Appeals)
Income Tax Act,1944	Income Tax	13.72	2013-14	Commissioner (Appeals)
Income Tax Act,1944	Income Tax	15.11	2014-15	Commissioner (Appeals)
Income Tax Act,1944	Income Tax	15.44	2015-16	Commissioner (Appeals)
Income Tax Act,1944	Income Tax	4.65	2016-17	Commissioner (Appeals)
Income Tax Act,1944	Income Tax	6.39	2017-18	Commissioner (Appeals)

* Net of amount deposited under protest.

8. 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 borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

9. 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, paragraph 3(ix) of the Order is not applicable to the Company.

10. 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.

11. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, during the year the Company has

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.

12. 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 to the Company.

13. 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. The details of such related party transactions have been disclosed in the Ind AS 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.

14. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. 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.

16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm's Registration No. - 101720W/W100355

Sd/-
Lalit R. Mhalsekar
Partner
Membership No: 103418

UDIN No.: 21103418AAAADI7334

Place: Mumbai
Date: May 5, 2021

Annexure B to Independent Auditor’s Report – March 31, 2021 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”)

1. We have audited the internal financial controls with reference to standalone financial statement of Raymond Apparel Limited (‘the Company’) as of March 31, 2021 in conjunction with our audit of the Ind AS 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 internal financial controls with reference to standalone financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

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 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 Companies Act, 2013, to the extent 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 these standalone financial statement was established and maintained and if such controls operated effectively in all material respects.

4. An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statement and their operating effectiveness. Our audit of internal financial controls with reference to these standalone financial statement 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 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 these financial statements.

Meaning of Internal Financial Controls with reference to these standalone financial statements

6. A company's internal financial control over financial reporting with reference to these standalone 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 these standalone financial statement 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

7. 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 standalone financial statement 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

8. In our opinion, the Company has, in all material respects, 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, 2021, 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's Registration No. - 101720W/W100355

Sd/-

Lalit R. Mhalsekar
Partner
Membership No: 103418

UDIN No.: 21103418AAAADI7334

Place: Mumbai
Date: May 5, 2021

Raymond Apparel Limited
Balance Sheet as at March 31, 2021

(Rs. in lakhs, unless otherwise stated)

		Note	As at March 31, 2021	As at March 31, 2020
I	**ASSETS**			
1	**Non-current Assets**			
	a) Property, Plant & Equipment	2	1,184.72	2,665.30
	b) Capital work-in-progress	2	433.37	327.24
	c) Right-of-use assets	2.1	16,884.10	32,703.38
	d) Intangible assets	3	3.60	11.40
	e) Investment in subsidiary	4	-	-
	f) Financial assets			
	(i) Non - current investments	5	4,014.12	2,785.92
	(ii) Loans	6	1.15	2.63
	(iii) Others financial assets	7	2,574.26	4,646.23
	g) Deferred tax assets (net)	33	19,357.42	9,897.81
	h) Asset for income tax (net)		814.10	1,532.04
	i) Other Non-Current Assets	8	534.56	651.05
2	**Current assets**			
	a) Inventories	9	31,350.74	56,055.43
	b) Financial assets			
	(i) Trade receivables	10	34,651.54	45,633.29
	(ii) Cash and cash equivalents	11	2,869.77	52.16
	(iii) Loans	12	2.56	10.50
	(iv) Others financial asset	13	2,022.92	474.40
	c) Other current assets	14	13,759.48	12,803.47
	TOTAL ASSETS		**1,30,458.41**	**1,70,252.25**
II	**EQUITY AND LIABILITIES**			
1	**Equity**	15		
	a) Equity Share capital		248.32	248.32
	b) Other equity			
	(i) Other reserves		(2,488.71)	14,413.68
2	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Lease liabilities	16	15,643.89	30,698.44
	(ii) Borrowings	17	4,967.00	-
3	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	18	52,174.61	48,720.56
	(ii) Trade payables	19		
	(A) total outstanding dues of micro & small enterprises		1,344.99	1,009.37
	(B) total outstanding dues of creditors other than micro & small enterprises		42,149.20	56,881.31
	(iii) Lease Liabilities	20	7,120.92	8,422.30
	(iv) Other financial liabilities	21	5,896.16	6,130.86
	(b) Other current liabilities	22	3,092.17	3,200.78
	(c) Short term provisions	23	309.86	526.63
	TOTAL LIABILITIES		**1,30,458.41**	**1,70,252.25**

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

Sd/-

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: May 05, 2021

For and on behalf of the Board of Directors

Sd/-

Gautam Hari Singhania
Director
DIN : 00020088
Place: Mumbai
Date: May 05, 2021

Sd/-

Mahendra Doshi
Director
DIN : 00123243
Place: Mumbai
Date: May 05, 2021

Sd/-

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, 2021

(Rs. in lakhs, unless otherwise stated)

Sr. no.	Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
I	**Income**			
	Revenue from Operations	24	43,764.31	1,60,479.14
	Other Income	25	7,664.05	898.82
	Total Income (I)		**51,428.36**	**1,61,377.96**
II	**Expenses**			
	Cost of materials consumed	26	-	-
	Purchase of stock-in-trade	27	10,492.33	1,01,509.33
	Changes in inventories of finished goods, stock-in-trade and work-in progress	28	24,765.69	(1,241.49)
	Employee benefits expense	29	5,424.95	10,140.57
	Finance costs	30	8,110.71	7,393.28
	Depreciation and amortization expense	31	8,429.56	10,175.18
	Other Expenses	32		
	A) Manufacturing and Operating Costs		318.14	981.42
	B) Other expenses		21,544.25	45,295.66
	Total expenses (II)		**79,085.63**	**1,74,253.95**
III	**Profit / (loss) before exceptional items and tax**		**(27,657.27)**	**(12,875.99)**
IV	**Profit / (loss) before tax**		**(27,657.27)**	**(12,875.99)**
V	**Tax expense**	33		
	Current tax		-	-
	MAT credit availed/(utilised)		-	-
	Deferred tax charge/(credit)		(9,626.11)	(4,473.76)
VI	**Profit / (loss) for the period (IV - V)**		**(18,031.16)**	**(8,402.23)**
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	(3,188.96)
	Remeasurements of net defined benefit plan		67.06	4.25
	(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	(371.45)
	Remeasurements of net defined benefit plans		23.43	1.49
	Other Comprehensive Income for the period (i-ii)		**1,128.77**	**(2,814.75)**
VIII	**Total Comprehensive Income for the period (VI + VII)**		**(16,902.39)**	**(11,216.98)**
IX	**Earnings per equity share of Rs. 10 each:**			
	Basic earnings per share (Rs.)	46	(726.13)	(356.59)
	Diluted earnings per share (Rs.)	46	(723.88)	(333.83)

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

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: May 05, 2021

For and on behalf of the Board of Directors

Sd/-
Gautam Hari Singhania
Director
DIN : 00020088
Place: Mumbai
Date: May 05, 2021

Sd/-
Mahendra Doshi
Director
DIN : 00123243
Place: Mumbai
Date: May 05, 2021

Sd/-
Priti Alkari
Company Secretary

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

(Rs. in lakhs, unless otherwise stated)

	Note	Amount
Balance as at March 31, 2019	15	221.92
Changes in equity share capital		26.40
Balance as at March 31, 2020		248.32
Changes in equity share capital		-
Balance as at March 31, 2021		248.32

B. Instrument entirely equity in Nature

(Rs. in lakhs, unless otherwise stated)

	Note	Amount
Balance as at March 31, 2019	15	3,430.00
Changes in preference share capital		(3,430.00)
Balance as at March 31, 2020		-
Changes in preference share capital		-
Balance as at March 31, 2021		-

(Rs. in lakhs, unless otherwise stated)

C. Other Equity	Reserves and Surplus					**Total**
	Capital Reserve	**Amalgamation Reserve**	**Securities Premium Reserve**	**General Reserves**	**Retained Earnings**	
Balance as at March 31, 2019	**7,233.38**	**92.34**	**2,828.08**	**2,630.77**	**13,642.47**	**26,427.04**
Profit for the year	-	-	-	-	(8,402.23)	(8,402.23)
Other Comprehensive Income for the period	-	-	-	-	(2,814.75)	(2,814.75)
Conversion of Preference shares into equity shares	-	-	3,403.60	-	-	3,403.60
Adjustment on account of Lease Accounting	-	-	-	-	(4,199.98)	(4,199.98)
Total Comprehensive Income for the period	-	-	**3,403.60**	-	**(15,416.96)**	**(12,013.36)**
Balance as at March 31, 2020	**7,233.38**	**92.34**	**6,231.68**	**2,630.77**	**(1,774.49)**	**14,413.68**
Profit 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)**

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

Sd/-

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: May 05, 2021

Sd/-

Gautam Hari Singhania
Director
DIN : 00020088
Place: Mumbai
Date: May 05, 2021

Sd/-

Mahendra Doshi
Director
DIN : 00123243
Place: Mumbai
Date: May 05, 2021

Sd/-

Priti Alkari
Company Secretary

Raymond Apparel Limited
Statement of Cash Flow

(Rs. in lakhs, unless otherwise stated)

	Year Ended March 31, 2021		Year Ended March 31, 2020	
A Cash Flow from Operating Activities:				
Net Profit / (Loss) before Tax as per Statement of Profit and Loss		(27,657.27)		(12,875.99)
Add/(Deduct)				
a) Depreciation and Amortisation Expense	8,429.56		10,175.18	
b) Finance cost	8,110.71		7,393.28	
c) (Profit) / Loss on sale of Assets (Net)	485.97		28.00	
d) Interest Income	(622.32)		(578.68)	
e) Debit Balance Written-off / Bad-debts Written off	38.64		214.65	
f) Provision for Expected Credit Loss	250.00		-	
g) Provision for Doubtful debts and doubtful claims (Net)	(22.83)		-	
h) Unrealised Loss on Foreign Currency Translation	14.32		(102.40)	
i) Excess provision written back	(137.26)		(84.25)	
j) Net Fair Value (Gain) /Loss (on account of fair valuation of deposits)	(345.52)		(307.21)	
k) Other Non-operating income	(244.30)		(54.81)	
l) Gain / (loss) from Remeasurement of net defined benefit plan	67.06		4.25	
m) Dividend Incom	-		(0.09)	
n) Gain on extinguishment of lease liability (net)	(3,054.52)		-	
o) Gain on rent waiver	(3,591.33)		-	
		9,378.18		16,687.92
Operating Profit before Working Capital changes		**(18,279.09)**		**3,811.93**
Add/(Deduct)				
a) (Increase)/Decrease in Inventories	24,704.69		(1,119.06)	
b) (Increase)/Decrease in Trade and Other Receivables	10,521.54		(10,082.89)	
c) Increase/(Decrease) in Trade and Other Payable	(14,102.82)		1,640.90	
		21,123.41		(9,561.05)
Cash (outflow) / inflow from operations		**2,844.32**		**(5,749.12)**
Deduct: Direct Taxes paid (net of refund)		717.94		(711.85)
Net Cash (Outflow) / Inflow from Operating Activities (A)		**3,562.26**		**(6,460.97)**
B Cash Flow from Investing Activities:				
Inflow				
a) Sale of Fixed Assets	14.50		5.45	
b) Interest Received	623.09		577.95	
c) Dividend Income	-		0.09	
		637.59		583.49
Outflow				
a) Purchase of Fixed Assets	(223.13)		(1,499.64)	
b) Acquisition of Right-for-use Assets	-		(3,855.30)	
		(223.13)		(5,354.94)
Net Cash Outflow from Investing Activities (B)		**414.46**		**(4,771.45)**
C Cash Flow from Financing Activities:				
Inflow				
a) Inter Corporate Deposit taken	33,700.00		50,600.00	
b) Increase in other borrowings (Net)	-		18,142.01	
		33,700.00		68,742.01
Outflow				
a) Repayment of Inter Corporate Deposit	(20,000.00)		(47,100.00)	
b) Repayment of Lease Liabilties	(1,381.63)		(3,330.41)	
c) Finance Charges paid	(8,189.84)		(7,295.66)	
d) Decrease in other borrowings (Net)	(5,278.95)		-	
		(34,850.42)		(57,726.07)
Net Cash inflow / (Outflow) from Financing Activity (C)		**(1,150.42)**		**11,015.94**
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)		**2,826.30**		**(216.48)**
Cash and Cash equivalents at the beginning of the year		43.20		259.68
Cash and Cash equivalents at the close of the year		**2,869.50**		**43.20**
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		2,869.77		52.16
Book Overdrafts		(0.27)		(8.96)
Balances as per statement of Cash Flows		**2,869.50**		**43.20**

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 **Changes in liabilities arising from financing activities**

Particulars	**Opening Balance**	**Non-Cash / Accruals / Fair value Changes**	**Cash Flow / Repayments**	**Closing Balance**
For the year ended March 31, 2021				
Preference share capital	-	-	-	-
Equity share capital	248.32	-	-	248.32
Securities premium	6,231.68	-	-	6,231.68
Borrowings	48,720.56	8,421.05		57,141.61
Interest accrued	199.53	8,110.71	(8,189.84)	120.40
Lease liabilities	39,120.74	(11,998.14)	(4,357.79)	22,764.81
For the year ended March 31, 2020				
Preference share capital	3,430.00	(3,430.00)	-	-
Equity share capital	221.92	26.40	-	248.32
Securities premium	2,828.08	3,403.60	-	6,231.68
Borrowings	27,078.55	-	21,642.01	48,720.56
Interest accrued	101.91	7,393.28	(7,295.66)	199.53
Lease liabilities	42,451.16	7,094.49	(10,424.91)	39,120.74

3 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

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: May 05, 2021

For and on behalf of the Board of Directors

Sd/-
Gautam Hari Singhania
Director
DIN : 00020088
Place: Mumbai
Date: May 05, 2021

Sd/-
Mahendra Doshi
Director
DIN : 00123243
Place: Mumbai
Date: May 05, 2021

Sd/-
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: U18109MH2006PLC262077) is one of India’s largest and most respected Branded apparel Company. The Company brings to the consumers best of fabric and style through some of the country’s most prestigious brands – Park Avenue, Parx, Raymond Ready to Wear, Colorplus, Khadi, Ethnix & Next Look. The Company focuses on designing and branding of apparel and apparel accessories which are either outsourced as traded goods or manufactured through contract vendors. The Company sells primarily in India through independent retailers, large format stores and its own retail outlets.

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.

(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 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, 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 expected 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 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.

(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 expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

(w) Standards issued but not effective

There are no standards that are issued but not yet effective on 31st March'21.

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 45
(iv) Estimation of tax expenses and tax payable - refer note 33
(v) Probable outcome of matters included under Contingent Liabilities - refer note 37
(vi) Estimation of Defined benefit obligation - Note 39
(vii) Estimation uncertainty relating to the global health pandemic on COVID-19 - note 44

Note 2 - Property, Plant and Equipment

(Rs. in lakhs)

Particulars	Freehold Land	Buildings	Plant & machinery	Furniture & fixtures	Vehicles	Office equipment	Computers	Leasehold Improvements	Total	Capital work-in-progress
Gross carrying amount										
Balance as at March 31, 2019	**34.28**	**88.83**	**523.50**	**972.07**	**102.60**	**842.10**	**759.33**	**6,229.77**	**9,552.48**	**2,816.49**
Transitional Adjustment	-	-	-	-	-	-	-	-	-	-
Additions	-	-	614.70	313.74	225.88	81.37	267.67	1,906.95	**3,410.31**	921.06
Disposals	-	-	626.13	376.03	-	83.37	3.75	2,094.65	**3,183.93**	-
Capitalisation during the year	-	-	-	-	-	-	-	-	-	3,410.31
Balance as at March 31, 2020	**34.28**	**88.83**	**512.07**	**909.78**	**328.48**	**840.10**	**1,023.25**	**6,042.07**	**9,778.86**	**327.24**
Additions	-	-	7.97	-	-	-	3.38	-	**11.35**	117.49
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**
Accumulated Depreciation										
Balance as at March 31, 2019	-	**6.72**	**214.25**	**580.00**	**66.17**	**694.52**	**613.10**	**3,990.21**	**6,164.97**	
Depreciation Charge for the year	-	1.68	127.61	174.98	31.56	121.44	243.81	960.95	**1,662.03**	
Disposals	-	-	92.28	137.04	-	48.56	3.59	431.96	**713.43**	
Balance as at March 31, 2020	-	**8.40**	**249.58**	**617.94**	**97.73**	**767.40**	**853.32**	**4,519.19**	**7,113.56**	
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**	**481.66**	**169.86**	**587.45**	**975.74**	**3,345.09**	**5,796.29**	
Net Carrying Amount										
Balance as at March 31, 2020	**34.28**	**80.43**	**262.49**	**291.84**	**230.75**	**72.70**	**169.93**	**1,522.88**	**2,665.30**	**327.24**
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 37 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
(b) Land and Buildings include gross block Rs. 34.28 Lakhs and Rs.88.83 Lakhs respectively, pertaining to purchase of property at Pune and 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.

Raymond Apparel Limited
Notes to the financial statements

Note 2.1 - Right-of-Use Assets

(Rs. in Lakhs)

Particulars	Right of Use assets	Total
Gross carrying amount		
Balance as at April 01, 2019	**37,342.50**	**37,342.50**
Additions	4,606.14	**4,606.14**
Disposals	750.84	**750.84**
Balance as at March 31, 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**
Accumulated Depreciation		
Balance as at April 01, 2019	**-**	**-**
Depreciation Charge for the year	8,494.42	**8,494.42**
Balance as at March 31, 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**
Net Carrying Amount		
Balance as at March 31, 2020	**32,703.38**	**32,703.38**
Balance as at March 31, 2021	**16,884.11**	**16,884.11**

Notes:
(a) Refer note 38 for disclosure of Lease maturity

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, 2019	**311.46**	**311.46**
Additions	-	-
Disposals	0.11	0.11
Balance as at March 31, 2020	**311.35**	**311.35**
Additions	-	-
Disposals	-	-
Balance as at March 31, 2021	**311.35**	**311.35**
Accumulated Depreciation		
Balance as at March 31, 2019	**281.33**	**281.33**
Amortisation for the year	18.73	18.73
Disposals	0.11	0.11
Balance as at March 31, 2020	**299.95**	**299.95**
Amortisation for the year	7.79	7.79
Disposals	-	-
Balance as at March 31, 2021	**307.75**	**307.75**
Net Carrying Amount		
Balance as at March 31, 2020	**11.40**	**11.40**
Balance as at March 31, 2021	**3.60**	**3.60**

Other than internally generated software.
Balance useful life as at March 31, 2021 is 1 year for Computer software

Raymond Apparel Limited
Notes to the financial statements

Note 4 - Investment in subsidiary

	As at March 31, 2021		As at March 31, 2020	
	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	1,00,000	6,339.65
Less: Provision for diminuation in value of Investment.	-	(6,339.65)	-	(6,339.65)
Total		-		-

Note 5 - Non Current Investments

	As at March 31, 2021		As at March 31, 2020	
	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 41)	4,692	4,011.17	4,692	2,782.97
Accurate Finman Services Limited (Equity Shares of Rs. 10 each)	460	2.95	460	2.95
Total		**4,014.12**		**2,785.92**

I. Aggregate amount of unquoted investments	**4,014.12**	**2,785.92**
II. Aggregate amount of impairment in value of investments	**6,339.65**	**6,339.65**

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

(Rs. In Lakhs)

	As at March 31, 2021	As at March 31, 2020
Loans to employees	1.15	2.63
Total	**1.15**	**2.63**

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, 2021	As at March 31, 2020
Security Deposits	2,563.08	4,635.05
Investments in Term deposits	11.18	11.18
Total	**2,574.26**	**4,646.23**

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

(Rs. In Lakhs)

	As at March 31, 2021	As at March 31, 2020
Capital advances	-	-
Prepaid expenses	198.75	259.76
VAT Receivable	14.59	-
Deposits with Government authorities	321.22	391.29
CVD Receivable	2,257.44	2,257.44
Less: Provision for CVD Receivable	(2,257.44)	(2,257.44)
	-	-
Total	**534.56**	**651.05**

Raymond Apparel Limited
Notes to the financial statements

Note 9 - Inventories

(Rs. In Lakhs)

	As at March 31, 2021	As at March 31, 2020
Stock-in-trade	30,881.65	55,911.65
Stock-in-trade in transit	75.51	14.51
Packing material	393.58	129.27
Total	**31,350.74**	**56,055.43**

(a) Refer note 35 for disclosure of inventories pledged as security.
(b) Write-down of inventories to net realisable value amounted to Rs. 7,908.55 Lacs(includes Rs. 856 Lacs related to shrinkage and rejection) as at 31st March'2021 and Rs. 7957.04 Lacs (includes Rs. 727.09 Lacs related to shrinkage and rejection) as at March 31, 2020. 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.

Note 10 - Trade Receivables

(Rs. In Lakhs)

	As at March 31, 2021	As at March 31, 2020
Considered good		
Secured		
Other than related parties	950.61	1,069.85
Unsecured		
Related parties (Refer note 40)	1,559.24	1,343.47
Other than related parties	32,391.69	43,219.97
Less:Provision for Expected credit loss	(250.00)	-
Considered doubtful		
Other than related parties	244.74	267.57
Less: Allowance for doubtful receivables	(244.74)	(267.57)
Total	**34,651.54**	**45,633.29**

(a) Refer note 35 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.

Note 11 - Cash and cash equivalents

(Rs. In Lakhs)

	As at March 31, 2021	As at March 31, 2020
Cash on hand	1,268.15	26.39
Balances with Banks		
In current accounts	1,601.62	25.77
Total	**2,869.77**	**52.16**

Note 12 - Current loans
(Unsecured, considered good)

(Rs. in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Current		
Loans to employees	2.56	10.50
Total	**2.56**	**10.50**

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, 2021	As at March 31, 2020
Export benefit receivables	6.83	30.89
Export benefit receivables-considered doubtful	10.61	10.61
Less: Provision for doubtful benefit receivables	(10.61)	(10.61)
	-	-
Deposits with others (including rent deposit)	1,611.95	416.84
Interest receivable	1.85	2.62
Claims and other receivables	2.20	12.22
Claims and other receivables, considered doubtful	60.00	60.00
Less: Allowance for doubtful receivables	(60.00)	(60.00)
	-	-
Other	400.10	11.83
Total	**2,022.92**	**474.40**

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

(Rs. in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	103.11	94.84
Advances to Suppliers	193.93	807.61
VAT Credit Receivable	1.02	1.02
Deposits with customs, port trust, excise and other govt. authorities	13,417.12	11,894.87
Other advances		
- Related Party	-	-
- Other than related party	44.30	5.13
Total	**13,759.48**	**12,803.47**

(a) 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.

Note 15 - Equity

a) Equity Share Capital

(Rs. in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Authorised		
2,35,00,000 (March 31, 2020: 2,35,00,000) Equity Shares of Rs. 10 each.	2,350.00	2,350.00
52,80,000 (March 31, 2020: 52,80,000) Preference share of Rs. 100 each.	5,280.00	5,280.00
Issued, subscribed and fully paid up		
24,83,200 (March 31, 2020: 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**

i) Reconciliation of number of shares

(Rs. in Lakhs)

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Equity Shares:				
Balance as at the beginning of the year	24,83,200	248.32	22,19,200	221.92
Add: Conversion of Preference shares into equity shares (Refer note below)	-	-	2,64,000	26.40
Balance as at the end of the year	**24,83,200**	**248.32**	**24,83,200**	**248.32**
Preference Shares:				
Balance as at the beginning of the year	-	-	34,30,000	3,430.00
Less: Conversion of Preference shares into equity shares (Refer note below)	-	-	(34,30,000)	(3,430.00)
Balance as at the end of the year	-	-	-	-

ii) 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.

Preference shares:

Effective April 01, 2015, the terms of the Preference shares have been modified as under:

9% Non-Cumulative Compulsory Convertible Preference Shares has been converted into 2,64,000 number of equity shares of Rs 10 each dated: September 23, 2019.

iii) Shares held by Holding Company

(Rs. in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Equity Shares of Rs. 10 each held by:		
24,83,200 Equity shares [March 31, 2020: 24,83,200 Equity Shares] held by Raymond Limited and its nominees	24,83,200	24,83,200
Preference Shares of Rs. 100 each held by:		
NIL Preference shares [March 31, 2020: NIL Equity Shares] held by Raymond Limited	-	-

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

	As at March 31, 2021		As at March 31, 2020	
	%	No. of shares	%	No. of shares
Equity shares held by Raymond Limited and its nominees	100	24,83,200	100	24,83,200
Preference shares held by Raymond Limited	-	-	-	-

b) Other Equity

(Rs. in Lakhs)

C. Other Equity	Reserves and Surplus					Total
	Capital Reserve	Amalgamation Reserve	Securities Premium Reserve	General Reserves	Retained Earnings	
Balance as at March 31, 2019	**7,233.38**	**92.34**	**2,828.08**	**2,630.77**	**13,642.47**	**26,427.04**
Profit for the year	-	-	-	-	(8,402.23)	(8,402.23)
Other Comprehensive Income for the period	-	-	-	-	(2,814.75)	(2,814.75)
Conversion of Preference shares into equity shares	-	-	3,403.60	-	-	3,403.60
Adjustment on account of Lease Accounting	-	-	-	-	(4,199.98)	(4,199.98)
Total Comprehensive Income for the period	-	-	**3,403.60**	-	**(15,416.96)**	**(12,013.36)**
Balance as at March 31, 2020	**7,233.38**	**92.34**	**6,231.68**	**2,630.77**	**(1,774.49)**	**14,413.68**
Profit for the year	-	-	-	-	(18,031.16)	(18,031.16)
Other Comprehensive Income for the period	-	-	-	-	1,128.77	1,128.77
Conversion of Preference shares into equity shares	-	-	-	-	-	-
Adjustment on account of Lease Accounting	-	-	-	-	-	-
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)**

Raymond Apparel Limited
Notes to the financial statements

Note 16 - Non-Current Financial Liabilities

(Rs. in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Financial Liabilities		
(a) Lease Liabilities	15,643.89	30,698.44
Total (A+B)	**15,643.89**	**30,698.44**

Note 17 - Non-Current Borrowings

(Rs. in Lakhs)

	As at March 31, 2021	As at March 31, 2020
A. Secured		
(a) Term loan from Bank	4,967.00	-
Total	**4,967.00**	**-**

Note 18 - Current Borrowings

(Rs. in Lakhs)

	As at March 31, 2021	As at March 31, 2020
A. Secured		
(a) Loans repayable on demand from banks	26,811.97	28,322.74
Secured - Total (A)	**26,811.97**	**28,322.74**
B. Unsecured		
(a) Loans repayable on demand from banks	2,764.18	12,897.82
(b) Acceptances with bank	1,398.46	-
(c) Loans & Advances from related Parties (Refer note 40)	21,200.00	7,500.00
Unsecured - Total (B)	**25,362.64**	**20,397.82**
Total (A+B)	**52,174.61**	**48,720.56**

Raymond Apparel Limited
Notes to the financial statements

Note 19 - Trade payables

(Rs. in lakhs, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
Trade payables (Refer note 34)		
(A) total outstanding dues of micro & small enterprises	1,344.99	1,009.37
(B) total outstanding dues of creditors other than micro & small enterprises		
i) Amounts due to related parties (Refer note 40)	14,740.92	12,252.51
ii) Others	27,408.28	44,628.80
Total	**43,494.19**	**57,890.68**

Refer Note 42 for information about liquidity risk and market risk of trade payables.

Note 20 - Non-Current Financial Liabilities

(Rs. in lakhs, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
Financial Liabilities		
(a) Lease Liabilities	7,120.92	8,422.30
Total (A+B)	**7,120.92**	**8,422.30**

Note 21 - Other current financial liabilities

(Rs. in lakhs, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
Interest accrued but not due on borrowings	19.66	-
Interest accrued and due on borrowings	100.74	199.53
Unpaid dividends #	-	-
(a) Unclaimed matured debentures and interest accrued thereon *	-	-
(b) Statutory Dues	-	-
Book Overdraft	0.27	8.96
Deposits from Dealers, Agents, etc.	4,082.46	4,103.79
Employees Benefits Payable	1,274.39	1,230.85
Derivative financial instruments	-	-
Capital Creditors		
Amounts due to related parties (Refer note 40)	111.62	111.62
Others	183.65	289.30
Other payables	123.37	186.81
Total	**5,896.16**	**6,130.86**

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.

Note 22 - Other current liabilities

(Rs. in lakhs, unless otherwise stated)

	As at March 31, 2021	**As at March 31, 2020**
Advance from customers	450.14	380.08
Credit Balance in Debtors	882.53	493.79
Statutory Dues	736.20	1,318.61
Other payables	1,023.30	1,008.30
Total	**3,092.17**	**3,200.78**

Note 23 - Short term provisions

(Rs. in lakhs, unless otherwise stated)

	As at March 31, 2021	**As at March 31, 2020**
Provision for employee benefits (Refer Note 39)	309.86	526.63
Total	**309.86**	**526.63**

Raymond Apparel Limited
Notes to the financial statements

Note 24 - Revenue from Operations

(Rs. in lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Sale of Products		
Manufactured goods - Garments	-	-
Stock-in trade - Garments and Accessories	43,726.27	1,60,445.40
Other operating income		
Export Incentives	38.04	33.74
Total	**43,764.31**	**1,60,479.14**

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price :

Item	Year ended March 31, 2021	Year ended March 31, 2020
Contract Price	60,994.51	1,90,148.19
Less :		
Gift Vouchers	(8.16)	(396.27)
Sales returns	(16,939.30)	(28,486.79)
Customer Loyalty programme	(111.34)	(184.50)
Bonus and Incentives	(32.37)	(204.92)
Any other benefit pass on to customer	(139.03)	(396.57)
Total	**43,764.31**	**1,60,479.14**

Note 25 - Other income

(Rs. in lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Interest income	622.32	578.68
Dividend income		
Others	-	0.09
Net gain/loss on termination of leases	3,054.52	180.99
Net gain/loss on Rent waiver	3,591.33	-
Other non-operating income	244.30	54.81
Profit on sale of asset	-	-
Credit Balances written back	137.26	84.25
Exchange Fluctuation-others	14.32	-
Total	**7,664.05**	**898.82**

Note 26 - Cost of materials consumed

(Rs. in lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Raw materials consumed		
Opening Stock	-	-
Purchases	-	-
Less : Sales / Transferred to Stock in trade	-	-
Less: Closing Stock	-	-
Cost of raw materials consumed during the year	-	-
Packing materials consumed		
Opening Stock	-	-
Purchases	-	-
Less : Sales / Transferred to Stock in trade	-	-
Less: Closing Stock	-	-
Cost of packing materials consumed during the year	-	-
Total	**-**	**-**

Raymond Apparel Limited
Notes to the financial statements

Note 27 - Purchase of Stock-in-Trade

(Rs. in lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Purchase of Stock-in-Trade	10,492.33	1,01,509.33
Total	**10,492.33**	**1,01,509.33**

Note 28 - Changes in inventories of finished goods (including stock-in-trade) and work-in-progress

(Rs. in lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Opening inventories		
Finished goods	-	-
Work-in-progress	-	-
Stock-in-trade	56,040.92	54,799.43
	56,040.92	54,799.43
Closing inventories		
Finished goods	-	-
Work-in-progress	-	-
Stock-in-trade	31,275.23	56,040.92
	31,275.23	56,040.92
Total	**24,765.69**	**(1,241.49)**

Note 29 - Employee benefits expense

(Rs. in lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and wages	4,940.11	9,091.08
Contribution to provident funds and other funds	258.37	370.68
Defined benefit expense (Refer note 39)	89.90	84.60
Staff welfare expenses	136.57	594.21
Total	**5,424.95**	**10,140.57**

Note 30 - Finance costs

(Rs. in lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Interest expense on term loan	17.41	-
Interest expense on other short term borrowings	5,424.37	3,849.54
Interest on Lease Liability	2,668.93	3,543.74
Total	**8,110.71**	**7,393.28**

Note 31 - Depreciation and amortization expense

(Rs. in lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on Property, Plant and Equipment	991.46	1,662.03
Amortization on Intangible assets	7.79	18.73
Depreciation on Right to use Assets	7,430.31	8,494.42
Total	**8,429.56**	**10,175.18**

Raymond Apparel Limited
Notes to the financial statements

Note 32 - Other expenses

A) Manufacturing and Operating Costs

(Rs. in lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Job work charges	275.77	261.41
Lab Testing Charges	26.71	692.56
Other Manufacturing and Operating expenses	15.66	27.45
Total	**318.14**	**981.42**

B) Other expenses

(Rs. in lakhs)

		Year ended March 31, 2021	Year ended March 31, 2020
Rent		453.35	293.63
Insurance		-	161.35
Rates and Taxes		33.05	43.24
Advertisement and sales promotion		2,144.56	10,495.68
Commission to selling agents		5,433.17	10,710.09
Outsourced Support Services		4,556.68	8,432.72
Freight, Octroi, etc		932.89	563.89
Information Technology Support Services		297.44	407.13
Legal and professional expenses		429.90	1,387.41
Royalty		173.38	577.53
Bad debts, Advances and Deposits written off	38.64		
Add: Provision for Expected Credit loss	250.00		
Less : Provision released	(22.83)	265.81	214.65
Director Fees		36.10	44.40
Repairs & Maintainence, Others		1,155.04	1,472.69
Expenditure towards Corporate Social Responsibility (Refer Note C below)		-	44.00
Exchange Fluctuation - Others		-	179.88
Travelling & Conveyance		170.48	1,599.35
Loss on sale of assets (Net)		485.97	28.00
Security Charges		109.67	236.89
Electricity Expenses		473.20	1,048.98
Material Handling expenses		1,688.73	2,661.26
Corporate Facility Charges		643.28	856.00
Miscellaneous Expenses		2,061.55	3,836.89
Total		**21,544.25**	**45,295.66**

Raymond Apparel Limited
Notes to the financial statements

A. Lease Rent Payment
The amount of Rs. 453.35 Lakhs as disclosed as rent expenses for the year ended March 31, 2021 reflects short term & low value leases which is exempted from application of Ind AS 116.

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

(Rs. in lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Auditors' remuneration and expenses:		
Statutory audit fees	25.60	32.00
Fees for other audit related services	10.00	14.50
Reimbursement of out-of-pocket expenses	-	-
Total	**35.60**	**46.50**

C. Details of CSR expenditure:

(Rs. in lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Amount required to be spent as per Section 135 of the Act	-	44.00
Contribution to Apne Aap Women's Collective Landscaping in Polytechnic College, Arvi in Dist. Wardha	-	-
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above	-	44.00
Yet to be paid in Cash:		
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above	-	-
Total	**-**	**44.00**

During the year ended 31st March 2021 the company was required to spend Nil (Previous year Rs. 44 Lakhs) towards the CSR activities out of which an amount of Nil (Previous year Rs. 20.00 Lakhs) paid to J. K. Trust Gram Vikas Yojana and Nil (Previous year Rs. 24 Lakhs) paid to Society for Human and Environmental Development. The balance unspent amount is Nil. (Previous year is Nil)

Note 33 - Income Taxes

Tax expense recognised in the Statement of Profit and Loss:

(Rs. in lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
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)	(4,473.76)
Change in tax rates	-	-
Total deferred income tax expense/(credit)	**(9,626.11)**	**(4,473.76)**
Total income tax expense/(credit)	**(9,626.11)**	**(4,473.76)**

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, 2021	Year ended March 31, 2020
Enacted income tax rate in India	34.94%	34.94%
Profit/(Loss) before tax & Exceptional items	(27,657.27)	(12,875.99)
Income Tax expense as per enacted rate	**(9,664.56)**	**(4,499.39)**
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	-	15.32
MSME Interest Disallowance	38.43	9.41
Tax audit settlements	-	(6.82)
Tax on account of change in rate of tax	-	-
Donation / CSR	-	7.69
Others	0.01	0.03
Total income tax expense/(credit)	**(9,626.11)**	**(4,473.76)**
	-	-
Effective Tax Rate	**34.80%**	**34.74%**

(Rs. in lakhs)

Movement during the year ended March 31, 2020 and March 31, 2021	As at March 31, 2020	Credit/(charge) in Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at March 31, 2021
Deferred tax assets/(liabilities)				
Provision for post retirement benefits and other employee benefits	184.02	(52.32)	(23.43)	108.27
Provision for doubtful debts and advances	118.17	(7.98)	-	110.19
Depreciation	2,887.54	76.98	-	2,964.52
Provision for sales return	352.34	-	-	352.34
Fair value gains/losses	459.75	(249.24)	-	210.51
MTM of outstanding forward contracts	-	-	-	-
Fair valuation of Investments	(323.92)	-	(143.06)	(466.98)
ROU Assets & Lease Liabilities	2,111.93	(836.14)	-	1,275.79
Business Losses & Unabsorbed Depreciation & Others	4,107.98	10,607.44	-	14,715.42
Provision for expected credit loss	-	87.36	-	87.36
Total	**9,897.81**	**9,626.10**	**(166.49)**	**19,357.42**

Significant Estimates : The Company has recognized deferred tax assets on business losses and unabsorbed depreciation. Based on future business projections, the Company is reasonably certain that would be able to generate adequate taxable income to ensure utilization of business losses and unabsorbed depreciation.

Note 34 - 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, 2021	**Year ended March 31, 2020**
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1,344.99	1,009.37
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	136.93	26.94
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 35 - 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, 2021	**Year ended March 31, 2020**
Other Assets		
Floating charge		
Inventory	31,350.74	56,055.43
Account receivable	34,651.54	45,633.29
Total	**66,002.28**	**1,01,688.72**
Total Assets pledged as security	**66,002.28**	**1,01,688.72**

Note 36 - 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 37 - Contingent liabilities, contingent assets and commitments

i) Contingent Liabilities

(Rs. in lakhs)

	March 31, 2021	March 31, 2020
Claims against the Company not acknowledged as debts in respect of:		
- Sales Tax	1,495.78	2,171.36
- Income Tax	158.43	158.43
- Excise / Custom Duty	12.53	12.53
- Other legal claims	0.26	0.26
	1,667.00	**2,342.58**

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.

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, 2021	March 31, 2020
Property, plant and equipment	9.40	67.01
Less: Capital advances	-	-
Net Capital commitments	**9.40**	**67.01**

Note 38 - Lease

(Rs. in lakhs)

	March 31, 2021	March 31, 2020
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. 6,560.25 Lakhs (2019-20 Rs. 11,057.29 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	8,422.30
For a period later than one year but not later than five years	12,454.49	24,288.65
For a period later than five years	3,189.40	6,409.79

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 ₹ 3,591.33 lakhs during the year ended 31 March 2021, 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 39 - 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. 258.37 lakhs (31st March 2020 : Rs. 370.68 lakhs).

II. Defined benefit plan:

A. Balance Sheet

(Rs. in lakhs)

	Defined benefit plans	
	As at March 31, 2021	**As at March 31, 2020**
Present value of plan liabilities	518.59	719.92
Fair value of plan assets	536.53	656.29
Net plan liability / (asset)	**(17.94)**	**63.63**

B. Movements in plan assets and plan liabilities

(Rs. in lakhs)

	Year ended March 31, 2021			Year ended March 31, 2020		
	Plan Asset	**Plan Liability**	**Total**	**Plan Asset**	**Plan Liability**	**Total**
As at the beginning of the year	**656.29**	**719.92**	**63.63**	**566.85**	**632.49**	**65.64**
Interest cost	-	46.29	46.29	-	47.44	47.44
Current service cost	-	85.81	85.81	-	79.67	79.67
Past Service cost	-	-	-	-	-	-
Asset / Liability Transferred In/ Acquisitions	-	-	-	-	-	-
Interest income	42.20	-	(42.20)	42.51	-	(42.51)
Return on plan assets less expected interest on plan assets	(1.63)	-	1.63	(3.07)	-	3.07
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	-	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	(1.99)	(1.99)	-	(26.66)	(26.66)
Actuarial (gain)/loss arising from experience adjustments	-	(66.71)	(66.71)	-	19.35	19.35
Employer's contributions	90.00	-	(90.00)	50.00	-	(50.00)
Benefit payments	(250.33)	(264.75)	(14.42)	-	(32.37)	(32.37)
As at the end of the year	**536.53**	**518.59**	**(17.94)**	**656.29**	**719.92**	**63.63**

The liability is split between plan participants as follows:
Number of active members: 406 members (2019-20: 689 members)
The weighted average duration of the defined benefit plans is 8 years (2019-20 : 8 years)
The Company expects to contribute Rs. 35.79 lakhs to the funded plans in financial year 2020-21 (2019-20: Rs. 149.43 lakhs)

C. Statement of Profit and Loss

(Rs. in lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Employee benefit expenses:		
Current service cost	85.81	79.67
Finance cost/(income)	4.09	4.93
Past Service Cost	-	-
Net impact on the profit/(loss) before tax (Refer note 29)	**89.90**	**84.60**
Remeasurement of the net defined benefit liability:		
Actual return on plan assets less expected interest on plan assets	1.63	3.07
Actuarial gains/(losses) arising from changes in demographic	-	-
Actuarial gains/(losses) arising from changes in financial assumptions	(1.99)	(26.66)
Actuarial (gain)/loss arising from experience adjustments	(66.71)	19.35
Net impact on the Other Comprehensive Income before tax	**(67.07)**	**(4.24)**

D. Assets

(Rs. in lakhs)

	Defined benefit plans	
	As at March 31, 2021	As at March 31, 2020
Unquoted		
Insurer Managed Fund	536.53	656.29
Total	**536.53**	**656.29**

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, 2021	As at March 31, 2020
Financial Assumptions		
Discount rate	6.49%	6.43%
Salary Escalation Rate	0% - 7.50%	0% - 7.50%
Expected Rate of Return on Assets (per annum)	6.49%	6.43%

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)

	2021			2020		
	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%	(31.07)	35.08	1.00%	(43.16)	48.81
Salary Escalation Rate	1.00%	31.94	(25.34)	1.00%	43.77	(34.88)
Employee Turnover Rate	1.00%	(1.68)	1.87	1.00%	(2.55)	2.82

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	2021	2020
1st following year	64.21	89.96
2nd following year	48.14	75.75
3rd following year	49.25	62.14
4th following year	49.72	62.75
5th following year	44.51	67.52
Thereafter	601.82	830.17

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.

Note 40 - Related Party Disclosures as per IND AS 24:

I.	**Relationships**	**Country of Incorporation**	**Ownership Interest March 31, 2021**	**Ownership Interest March 31, 2020**
(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:**	
	Raymond Consumer Care Ltd.	India
	J.K. Helene Curtis Limited	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
Gaurav Dalmia (upto October 15, 2019)
Gautam Yogendra Trivedi
Gautam Hari Singhania
Sanjay Kumar Behl ** (upto March 16, 2020)
I D Agarwal
Joydeep Bhattacharya (upto November 23, 2019)
Nirvik Singh (upto January 22, 2021)
Mahendra Doshi
Shri Dinesh Lal (w.e.f February 2, 2021)
Bibek Agarwala, CFO (upto April 3, 2020)
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 (934.76)							
Raymond Luxury Cotton Limited			1.31 (39.34)					
Silver Spark Apparel Limited			968.49 (1,432.61)					
Celebrations Apparel Ltd			- (2,442.97)					
Dress Master Apparel Pvt Ltd			- (1,568.66)					
Raymond Consumer Care Limited				4.36 (131.85)				
Raymond UCO Denim Private Limited					- (2.52)			
Jiva Designs Pvt. Ltd.								- (55.86)
Sales								
Goods and Materials								
Raymond Limited	1,327.77 (7,185.34)							
Silver Spark Apparel Limited			- (91.06)					
Celebrations Apparel Limited			- (64.38)					
Dress Master Apparel Pvt Ltd			- (7.89)					
Raymond Consumer Care Ltd.				47.05 (93.25)				
MEIS License								
Raymond Limited	28.98 -							
Fixed Assets								
Raymond Limited	- (2,437.05)							

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
Expenses								
Rent and other Service Charges								
Raymond Limited	243.12 (255.81)							
Agency Commission								
J.K. Investors (Bombay) Limited						18.48 (55.97)		
Royalty								
Raymond Limited	180.09 (644.33)							
Interest paid (ICD)								
Raymond Limited	1,231.15 (807.71)							
J.K. Talabot Ltd			25.50 (20.49)					
Silver Spark Apparel Limited			10.48 -					
JK Files (India) Ltd.			0.21 -					
Ring Plus Aqua Ltd			9.86 -					
Other Payments:								
Advertisement Expenses								
Raymond Limited	79.43 (955.87)							
Reimbursement of Expenses								
Raymond Limited	729.90 (1,049.79)							
Loyalty Bonus								
Raymond Limited	- (1,288.35)							
Corporate Facility Charges								
Raymond Limited	643.28 (856.00)							
Director Fees								
Anshu Sarin							4.20 (5.50)	
Gaurav Dalmia							- (2.00)	
Gautam Hari Singhania							1.70 (5.00)	
Gautam Yogendra Trivedi							6.70 (6.00)	
I D Agarwal							9.00 (11.20)	
Joydeep Bhattacharya							- (2.20)	
Mahendra Doshi							7.00 (2.50)	
Nirvik Singh							5.50 (10.00)	
Dinesh Lal							2.00 -	
Remuneration								
Bibek Agarwala							0.44 (213.93)	

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
Income								
Loyalty Income								
Raymond Limited	153.74							
	(541.45)							
Deputation of Staff								
Colorplus Realty Limited		11.90						
		(14.02)						
Recovery of expenses								
Raymond Limited	393.16							
	(1,179.27)							
Colorplus Realty Limited		1.96						
		(1.50)						
Raymond Luxury Cotton Limited			4.90					
			-					
Finance:								
Loans taken								
Raymond Limited	24,800.00							
	(50,300.00)							
J.K. Talabot Ltd.			-					
			(300.00)					
Silver Spark Apparel Limited			3,000.00					
			-					
JK Files (India) Ltd.			900.00					
			-					
Ring Plus Aqua Ltd			5,000.00					
			-					
Loans repaid								
Raymond Limited	20,000.00							
	(46,100.00)							
J.K. Talabot Ltd.			-					
			(1,000.00)					

Note: The above disclosures do not include change in terms of Preference Shares held by the Holding Company (Refer note 15).
(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, 2021	As at March 31, 2020
Accounts Payable:		
Holding Company		
Raymond Limited	11,945.98	10,102.31
Subsidiary		
Colorplus Realty Limited	-	-
Fellow Subsidiary & Joint Ventures		
Silver Spark Apparel Limited	2,625.64	1,289.55
Celebrations Apparel Limited	-	190.89
Dress Master Apparel Private Limited	-	368.05
Raymond Luxury Cotton Limited	47.78	41.50
Raymond UCO Denim Pvt. Ltd.	6.88	6.88
Raymond Consumer Care Limited	15.71	113.79
J.K. Investors (Bombay) Limited	98.93	77.81
Other Related Parties		
Jiva Designs Pvt. Ltd.	-	61.73
Total	**14,740.92**	**12,252.51**
Capital Creditors:		
Holding Company		
Raymond Limited	111.62	111.62
Total	**111.62**	**111.62**
Borrowings		
ICD Outstanding		
Raymond Limited	12,000.00	7,200.00
JK Talabot Limited	300.00	300.00
Silver Spark Apparel Limited	3,000.00	-
JK Files (India) Ltd.	900.00	-
Ring Plus Aqua Ltd	5,000.00	-
Total	**21,200.00**	**7,500.00**

Accounts Receivable:		
Holding Company		
Raymond Limited	1,515.78	1,026.05
Subsidiary		
Colorplus Realty Limited	38.56	24.70
Fellow Subsidiary		
Dress Master Apparel Private Limited	-	8.28
Silver Spark Apparel Limited	-	101.62
Celebrations Apparel Limited	-	132.50
Other Related Companies		
Raymond Consumer Care Limited	4.90	50.32
Total	**1,559.24**	**1,343.47**

Raymond Apparel Limited
Notes to the financial statements

Note 41 - 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 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.

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 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	
Financial Assets																
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
Other Financial Assets			-													
- 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
	6,589.53	**39,546.79**	**46,136.32**	**-**	**-**	**-**	**-**	**-**	**4,014.12**	**-**	**4,014.12**	**-**	**-**	**42,122.20**	**42,122.20**	**46,136.32**
Financial Liabilities																
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
	20,610.89	**1,08,685.88**	**1,29,296.77**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,29,296.77**	**1,29,296.77**	**1,29,296.77**

Financial Assets and Liabilities as at March 31, 2020				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	
Financial Assets																
Investment																
Equity instruments	2,785.92	-	2,785.92	-	-	-	-	-	2,785.92	-	2,785.92	-	-	-	-	2,785.92
	2,785.92	**-**	**2,785.92**	**-**	**-**	**-**	**-**	**-**	**2,785.92**	**-**	**2,785.92**	**-**	**-**	**-**	**-**	**2,785.92**
Other Assets																
Loans	2.63	10.50	13.13	-	-	-	-	-	-	-	-	-	-	13.13	13.13	13.13
Other Financial Assets																
- Security Deposits	4,635.05	416.84	5,051.89	-	-	-	-	-	-	-	-	-	-	5,051.89	5,051.89	5,051.89
- Others	11.18	57.56	68.74	-	-	-	-	-	-	-	-	-	-	68.74	68.74	68.74
Trade receivable	-	45,633.29	45,633.29	-	-	-	-	-	-	-	-	-	-	45,633.29	45,633.29	45,633.29
Cash and Cash equivalents	-	52.16	52.16	-	-	-	-	-	-	-	-	-	-	52.16	52.16	52.16
Total	**7,434.78**	**46,170.35**	**53,605.13**	**-**	**-**	**-**	**-**	**-**	**2,785.92**	**-**	**2,785.92**	**-**	**-**	**50,819.21**	**50,819.21**	**53,605.13**
Financial Liabilities																
Lease Liabilities																
Lease Liabilities	30,698.44	8,422.30	39,120.74	-	-	-	-	-	-	-	-	-	-	39,120.74	39,120.74	39,120.74
Borrowings	-	48,720.56	48,720.56	-	-	-	-	-	-	-	-	-	-	48,720.56	48,720.56	48,720.56
Other Financial Liabilities	-	6,130.86	6,130.86	-	-	-	-	-	-	-	-	-	-	6,130.86	6,130.86	6,130.86
Trade Payables	-	57,890.68	57,890.68	-	-	-	-	-	-	-	-	-	-	57,890.68	57,890.68	57,890.68
Total	**30,698.44**	**1,21,164.40**	**1,51,862.84**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,51,862.84**	**1,51,862.84**	**1,51,862.84**

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, unless otherwise stated)

	As at March 31, 2021		As at March 31, 2020	
	Carrying Amount	**Fair Value**	**Carrying Amount**	**Fair Value**
Financial Assets				
Other Assets				
Loans	3.71	3.71	13.13	13.13
Other Financial Assets				
- Security Deposits	4,175.03	4,175.03	5,051.89	5,051.89
- Others	422.15	422.15	68.74	68.74
Trade Receivable	34,651.54	34,651.54	45,633.29	45,633.29
Cash and Cash equivalents	2,869.77	2,869.77	52.16	52.16
	42,122.20	**42,122.20**	**50,819.21**	**50,819.21**
Financial Liabilities				
Lease liabilities	22,764.81	22,764.81	39,120.74	39,120.74
Borrowings	57,141.61	57,141.61	48,720.56	48,720.56
Other Financial Liabilities	5,896.16	5,896.16	6,130.86	6,130.86
Trade Payables	43,494.19	43,494.19	57,890.68	57,890.68
	1,29,296.77	**1,29,296.77**	**1,51,862.84**	**1,51,862.84**

Note 42 - Financial Risk Management

Financial risk management objectives and policies
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.

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 March 31, 2021	As at March 31, 2020
Borrowings bearing variable rate of interest	35,941.61	41,220.56

Interest rate sensitivity

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

(Rs. in lakhs)

Change	As at March 31, 2021	As at March 31, 2020
50 bps increase would decrease the profit before tax by	(179.71)	(206.10)
50 bps decrease would increase the profit before tax by	179.71	206.10

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, 2021		As at March 31, 2020	
	Currency	Amount	Currency	Amount
Forward contracts to buy USD	USD	5.10	USD	-

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, 2021	USD	EURO	GBP
Trade Receivables	0.53	-	-
Trade Payables	31.82	0.00	-

(FC in lakhs)

As at March 31, 2020	USD	EURO	GBP
Trade Receivables	0.30	-	-
Trade Payables	22.99	0.03	-

(c) Foreign Currency Risk Sensitivity

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

(Rs. in lakhs)

	2020-2021		2019-2020	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	(22.88)	22.88	(17.16)	17.16
EURO	-	-	(0.03)	0.03
GBP	-	-	-	-
Increase / (decrease) in profit or loss	**(22.88)**	**22.88**	**(17.19)**	**17.19**

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.

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.

Ageing of Account Receivables

(Rs. in lakhs)

	As at March 31, 2021	As at March 31, 2020
Not due	6,123.54	15,014.59
0-3 months	4,439.00	16,701.06
3-6 months	1,887.00	11,749.05
6 months to 12 months	4,851.00	1,766.16
Beyond 12 months and less than 2 years	17,351.00	402.44
Total	**34,651.54**	**45,633.29**

Movement in provisons of doubtful debts & Expected credit loss

(Rs. in lakhs)

	March 31, 2021	March 31, 2020
Balance at the beginning of the year	267.57	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**	**267.57**

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 borrowings

(Rs. in lakhs)

	As at March 31, 2021			As at March 31, 2020		
	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	48,720.56	-	48,720.56
Total	**52,174.61**	**4,967.00**	**57,141.61**	**48,720.56**	**-**	**48,720.56**

Maturity patterns of other financial liabilities

(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	-	-	43,494.19
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	22,764.81
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**

(Rs. in lakhs)

As at March 31, 2020	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	Beyond 12 months	Total
Trade Payable	26,127.80	28,218.44	3,544.44	-	-	57,890.68
Payable related to Capital goods	327.62	61.73	11.57	-	-	400.92
Lease Liabilities	373.58	2,021.32	2,072.52	3,954.88	30,698.44	39,120.74
Other Financial Liability (Current and Non Current)	5,729.94	-	-	-	-	5,729.94
Total	**32,558.94**	**30,301.49**	**5,628.53**	**3,954.88**	**30,698.44**	**1,03,142.28**

Note 42A - 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

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, 2021**	**As at March 31, 2020**
Debt (Includes non-current,current borrowings and current maturities of long term debt)	57,141.61	48,720.56
Less:- Cash and cash equivalents	2,869.77	52.16
Net debt	54,271.84	48,668.40
Total equity	**(2,240.39)**	**14,662.00**
Net debt to total equity ratio	-2422.43%	331.94%

Note 43 - Scheme of Arrangement

The Board of Directors of the Company at its meeting held on November 06, 2019 had approved the Composite Scheme of Arrangement ("Scheme") which comprise of amalgamation of the company and Scissors Engineering Products Limited (wholly owned subsidiary of Raymond Limited) with Raymond Limited (Holding company) and then Demerger of the lifestyle business undertaking into Raymond Lifestyle Limited on a going concern basis. The Appointed Date is April 01, 2020. The 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 financial statements.

Note 43A - 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 as "Claim Receivables" and created a provision for an equivalent amount, as prudent practice.

Note 44 -

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 which has adversely impacted the operation of the Company. Although, the Company witnessed significant improvement in its operations during the second half of the year, it has incurred losses for the year and its networth has been eroded. The Company remains watchful of the potential impact of COVID-19 pandemic, particularly the current “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 assets such as property, plant and equipment, investments, inventories, trade receivables, deferred tax assets and input tax credit receivables. The management believes that business will revive in near future. Based on the business valuation report of the company, the future business plan of the company, intention of the holding company to provide financial support to the company and the management effort to explore cost restructure, the Company does not anticipate any challenge in its ability to continue as going concern or meeting its future financial obligations. As the situation is unprecedented, the Company is closely monitoring the situation as it evolves in the future.

Note 45 - Expected Credit Loss on Trade Receivables, Loans and Other Financial Assets

The Company has used a practical expedient by computing the expected credit loss allowance for External Trade Receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and likelihood of increased credit risk considering emerging situations due to COVID-19.

The Company has concluded that the carrying amount of the trade receivables represent the Company’s best estimate of the recoverable amounts. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

Raymond Apparel Limited
Notes to the financial statements

Note 46 - Earning's per share

	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs. in Lakhs)
Earning's per share has been computed as under:		
Profit for the year	(18,031.16)	(8,402.23)
Weighted average number of equity shares outstanding	24,83,200	23,56,249
Basic Earning's Per Share (Face value of Rs. 10 per share)	(726.13)	(356.59)
Add: Weighted average number of potential equity shares	7,721	1,60,643
Weighted average number of Equity shares (including dilutive shares) outstanding	24,90,921	25,16,892
Diluted Earning's Per Share (Face value of Rs. 10 per share)	(723.88)	(333.83)

Note 47 - 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."

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."

Sr. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
1	Number of options outstanding on Beginning of the year	33,692	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	25,971	Nil
6	The exercise price	Rs.10/-	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	7,721	33,692

Note 48 - 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.

As per our report of even date attached

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

Sd/-

Lalit R. Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: May 05, 2021

For and on behalf of the Board of Directors

Sd/-

Gautam Hari Singhania
Director
DIN : 00020088
Place: Mumbai
Date: May 05, 2021

Sd/-

Mahendra Doshi
Director
DIN : 00123243
Place: Mumbai
Date: May 05, 2021

Sd/-

Priti Alkari
Company Secretary

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

Sr No.	Particulars	(₹ in Lakh)
1	Sl. No.	1
2	Name of the subsidiary	Colorplus Realty Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable
5	Share capital	100.00
6	Reserves & surplus	(148.93)
7	Total assets	0.23
8	Total Liabilities	49.16
9	Investments	NIL
10	Turnover	0.00
11	Profit / (Loss) before taxation	(19.24)
12	Provision for taxation/ Deferred tax charge/(credit)	NIL
13	Profit / (Loss) after taxation	(19.24)
14	Proposed Dividend	NIL
15	% of shareholding	100%

Part "B": Associates and Joint Ventures

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	-	-	-
Extend of Holding %	-	-	-
3. Description of how there is significant influence	-	-	-
4. Reason why the associate/joint venture is not consolidated	-	-	-
5. Networth attributable to Shareholding as per latest audited Balance Sheet	-	-	-
6. Profit / Loss for the year	-	-	-
i. Considered in Consolidation	-	-	-
i. Not Considered in Consolidation	-	-	-

For and on behalf of the Board of
RAYMOND APPAREL LIMITED

Sd/-	Sd/-	Sd/-
Gautam Hari Singhania	**Mahendra Doshi**	**Priti Alkari**
Director	**Director**	**Company Secretary**
DIN: 00020088	**DIN: 00123243**	

RAYMOND LIFESTYLE LIMITED

ANNUAL REPORT 2020-21

BOARD OF DIRECTORS	:	SHRI K.A. NARAYAN SHRI GANESHKUMAR SUBRAMANIAN (Appointed w.e.f 26.10.2020) SHRI H. K. CHATTERJEE (Appointed w.e.f 26.10.2020) SHRI SANJAY BAHL (Resigned w.e.f 26.10.2020) SHRI VIPIN AGARWAL (Resigned w.e.f 26.10.2020)
STATUTORY AUDITORS	:	MESSRS V. B. DALAL & CO. CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	JEKEGRAM, POKHRAN ROAD NO. 1, THANE – 400 606, MAHARASHTRA

RAYMOND LIFESTYLE LIMITED
CIN: U52322MH2019PLC332934

DIRECTOR'S REPORT

To,

The Members

The Directors take pleasure in presenting the Second Annual Report together with Audited Financial Statements for the period ended on March 31, 2021.

1. FINANCIAL SUMMARY

The Company did not commence operations in FY 2020-21.

2. DIVIDEND

In order to conserve resources, no dividend has been recommended for the FY 2020-21.

3. RESERVES

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

4. STATUTORY AUDITORS

Messrs. V. B. Dalal & Co., Chartered Accountants (ICAI Firm Registration Number 102055W) are the statutory auditors of the Company for the year ended March 31, 2021. Their appointment as statutory auditor to hold office is valid from the conclusion of the 1st Annual General Meeting of the Company till the conclusion of the 6th Annual General Meeting of the Company.

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

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, 2021 was Rs. 5.00 lakh. During the year under review, the Company has not issued any shares. As on March 31, 2021, 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

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri K. A. Narayan, 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 Harishkumar Chatterjee and Shri Ganeshkumar S. as Additional Directors of the Company effective from October 26, 2020. In terms of Section 161 of the Companies Act, 2013, Shri Harishkumar Chatterjee and Shri Ganeshkumar S. shall hold office up to the date of ensuing Annual General Meeting. The Board of Directors have recommended the appointment of Shri Harishkumar Chatterjee and Shri Ganeshkumar S. at the ensuing Annual General Meeting.

During the year, Shri Sanjay Bahl and Shri Vipin Agarwal resigned from the Board of Directors with effect from October 26, 2020.

During the year, five Board Meetings were held on June 27, 2020, September 09, 2020, October 26, 2020, November 05, 2020 and February 03, 2021. Attendance of Board Members is given below:

Date of the Board Meeting	Name of the Directors				
	Sanjay Bahl	Vipin Agarwal	K. A. Narayan	Harishkumar Chatterjee	Ganeshkumar S.
27.06.2020	✓	✓	✓	NA	NA
09.09.2020	✓	✓	✓	NA	NA
26.10.2020	LOA	LOA	✓	✓	✓
05.11.2020	NA	NA	✓	✓	✓
03.02.2020	NA	NA	✓	✓	✓

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

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.

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, 2021, 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, 2021 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

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.

16. ANNUAL RETURN

A copy of draft Annual Return for F.Y. 2020-21 has been placed at www.raymond.in

17. 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.

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. 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.

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. 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.

22. 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/-**
	GANESHKUMAR S.	**HARISHKUMAR CHATTERJEE**
Place: Mumbai	**DIRECTOR**	**DIRECTOR**
Date: April 30, 2021	**DIN: 00088163**	**DIN: 03560685**

V. B. DALAL & CO.
Chartered Accountants
Office # 235, 2nd Floor, "C" Wing, Rahul Mittal Industrial Eastate,
Andheri Kurla Road, Andheri (EAST), Mumbai - 400 059
Phone : 49720579 / 49784572
Website : www.vbdalal.com E-mail : vbdalal@vbdalal.com

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
RAYMOND LIFESTYLE LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **RAYMOND LIFESTYLE LIMITED** (`the Company'), which comprises the Balance Sheet as at **March 31 2021**, and the Statement of Profit and Loss (statement of changes in equity) and statement of Cash Flows for the period 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 standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit/loss, (changes in equity) and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence 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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure 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 report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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.

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 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('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 and 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

    e) On the basis of written representations received from the directors as on March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, 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 litigation pending and hence there is no impact on its financial position in the aforesaid financial statements.

   ii. The company did not have any long term contract including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Sd/-
FOR V. B. DALAL & CO.
CHARTERED ACCOUNTANTS

Place: Mumbai
Dated: 30.04.2021
UDIN: 21010373AAAAMH9295

Sd/-
(V. B. DALAL)
PROPRIETOR
M.No.10373
F.R.No.102055

RAYMOND LIFESTYLE LIMITED

ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF RAYMOND LIFESTYLE LIMITED

Referred to in paragraph 1 of Report on other Legal and Regulatory Requirements of our report of even date.

On the basis of such checks as we considered appropriate and in terms of the information & explanation given to us, we report that:

1. a. The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

   b. The Fixed assets have been physically verified by the management at reasonable intervals; According to the information and explanations given to us no material discrepancies were noticed on such verification;

2. The company does not have any inventory, hence the provisions of clause (ii) are not applicable to the company.

3. 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 Companies Act, 2013.

4. In our opinion and according to the information and explanation given to us, the provisions of section 185 and 186 have been duly complied with in respect of loans, investments, guarantees given by the Company.

5. According to the information and explanations given to us and to the best of our knowledge, the company has not accepted any deposits. Therefore, the clause (v) of the Order is not applicable

6. Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act for the year under review. Therefore, the clause (vi) of the Order is not applicable.

7. a) According to the record of the company, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it with the appropriate authorities.

   b) According to the information and explanation given to us there are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.

8. In our opinion and according to the information and explanation given by the management, the Company does not have any borrowings from the financial institution, banks, Government or debenture holders. Therefore, the clause (viii) of the Order is not applicable.

9. Based on the information and explanation given by the management, the company has not raised any monies by way of Initial Public Offer or Further Public Offer including death insurance, hence the provisions of clause (ix) are not applicable to the company.

10. Based upon the audit procedure performed and information and explanation given by the management, we report that no fraud on the company or by its officers or employees has been noticed or reported during the course of our audit.

11. Based on the information and explanation given by the management, no managerial remuneration has been paid or being provided in the Financial Statements, hence the provisions of clause (xi) are not applicable to the company.

12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

13. Based upon the audit procedure performed and information and explanation given by the management, we report that all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013, and details thereof have been disclosed in the Financial Statements as required by the applicable accounting standards.

14. According to the information and explanation given to us, the Company has not made any Preferential allotment or Private placement of shares or fully or partly paid Debentures during the year. Therefore, the clause (xiv) of the Order is not applicable.

15. Based on our audit procedure and on the information and explanation given by the management, we are of the opinion that the Company has not entered into any non cash transaction with directors or any person connected to him and hence provisions of section 192 of the Companies Act, 2013 are not applicable

16. The Company is not required to be registered under section 45-I of the Reserve Bank of India Act,1934.

Sd/-

FOR V. B. DALAL & CO.
CHARTERED ACCOUNTANTS

Place: Mumbai
Dated: 30.04.2021
UDIN: 21010373AAAAMH9295

Sd/-
(V. B. DALAL)
PROPRIETOR
M.No.10373
F.R.No.102055W

RAYMOND LIFESTYLE LIMITED

ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF RAYMOND LIFESTYLE LIMITED

Referred to in paragraph 2(f) of Report on other Legal and Regulatory Requirements of our report of even date

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 **RAYMOND LIFESTYLE LIMITED ("the Company")** as of March 31, 2021 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 Control over Financial Reporting ("the Guidance Note") issued by the ICAI and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of the 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 controls over financial reporting were operating effectively as at March 31, 2021, 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 V. B. DALAL & CO.
CHARTERED ACCOUNTANTS

Place: Mumbai
Dated: 30.04.2021
UDIN: 21010373AAAAMH9295

(V. B. DALAL)
PROPRIETOR
M.No.10373
F.R.No.102055W

RAYMOND LIFESTYLE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2021

	Particulars	Note No.	As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)
I	ASSETS			
1	Non-current Assets			
	(a) Property, Plant and Equipment	-	-	-
	(b) Financial Assets			
	(i) Investments	-	-	-
	(ii) Others financial assets	-	-	-
2	Current assets			
	(a) Financial Assets			
	(i) Investments	-	-	-
	(ii) Cash and cash equivalents	2	498584	499882
	(b) Assets for Current Tax (Net)		-	-
	TOTAL ASSETS		498584	499882
II	EQUITY AND LIABILITIES			
1	Equity			
	a) Equity share capital	3	500000	500000
	b) Other equity			
	(i) Reserves & Surplus	4	(11416)	(5118)
	(ii) Other Reserves (OCI)		-	-
2	Liabilities			
	Current liabilities			
	(a) Financial Liabilities			
	(i) Other financial liabilities	5	10000	5000
	(b) Other Current Liabilities			
	(i) Statutory Dues			-
	TOTAL LIABILITIES		498584	499882
	Significant Accounting Policies	1		

As per our Report of even date
For V.B. DALAL & CO.
Chartered Accountants

Sd/-
Proprietor
Membership No. 10373
F. R. No. 102055W
Mumbai.
Date : 30/04/2021

For Raymond Lifestyle Limited

Sd/-
Ganeshkumar Subramanian
Director
Din: 00088163

Sd/-
Harishkumar Hariprasd Chatterjee
Director
Din: 03560685

RAYMOND LIFESTYLE LIMITED

Statement of Profit and Loss for the period ended 31st March, 2021

	Particulars	Note No.	Year ended 31st March, 2021	Year ended 31st March, 2020
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	6	6298	5118
	Total expenses		6298	5118
III	Profit/(Loss) before tax (I - II)		(6298)	(5118)
IV	Tax expense			
	Current tax		-	-
	Deferred tax charge/(credit)			
V	Profit/ (Loss) after tax for the period (III - IV)		(6298)	(5118)
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)		(6298)	(5118)
VIII	Earnings per equity share			
	Basic		(0.13)	(0.10)
	Diluted		(0.13)	(0.10)

As per our Report of even date
For V.B. DALAL & CO.
Chartered Accountants

Sd/-
Proprietor
Membership No. 10373
F. R. No. 102055W
Mumbai.
Date : 30/04/2021

For Raymond Lifestyle Limited

Sd/-
Ganeshkumar Subramanian
Director
Din: 00088163

Sd/-
Harishkumar Hariprasd Chatterjee
Director
Din: 03560685

Cash Flow Statement for the period ended 31st March, 2021

	Period ended 31st March, 2021 (Rs.)	Period ended 31st March, 2020 (Rs.)
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and tax	(6298)	(5118)
Adjustments for:		
Add/(Deduct):	-	-
Operating profit before working capital changes		
Adjustments for:		
Increase in trade and other payables and provisions	5000	5000
Cash used in operations	(1,298.00)	(118.00)
Direct taxes paid (net of refunds)	-	-
Net cash used in operating activities - [A]	(1,298.00)	(118.00)
CASH FLOW FROM INVESTING ACTIVITIES:		
Inflow/Outflow	-	-
Net cash (used in)/ generated from investing activities - [B]	-	-
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceed from Issue of shares		500000
Net cash generated from financing activities - [C]	-	500000
Net increase in cash and cash equivalents - [A+B+C]	(1298)	499882
Add: Balance at the beginning	499,882	-
Cash/Cash Equivalent at the close of the period	498584	499882

As per our Report of even date

For V.B. DALAL & CO.
Chartered Accountants

Sd/-

Proprietor
Membership No. 10373
F. R. No. 102055W
Mumbai
Date : 30/04/2021

For Raymond Lifestyle Limited

Sd/-
Ganeshkumar Subramanian
Director
Din: 00088163

Sd/-
Harishkumar Hariprasd Chatterjee
Director
Din:03560685

RAYMOND LIFESTYLE LIMITED

Statement of Changes in Equity for the period ended 31st March, 2021

Statement of other equity

Particulars	Reserves & Surplus
Balance as at date of Incorporation	-
Add : loss for the period	(5118)
Balance as at 31.03.2020	(5118)
Add : loss for the period	(6298)
Balance as at 31.03.2021	(11416)

As per our Report of even date

For V.B. DALAL & CO.

Chartered Accountants

Sd/-

Proprietor

Membership No. 10373

F. R. No. 102055W

Mumbai.

Date : 30/04/2021

For Raymond Lifestyle Limited

Sd/-

Ganeshkumar Subramanian

Director

Din: 000881163

Sd/-

Harishkumar Hariprasd 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 and apparel.

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.

(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, 2021

Note 2 - Bank Balances other than cash and cash equivalents

Particulars	As at 31st March, 2020 (Rs.)	As at 31st March, 2021 (Rs.)
Balances with Banks		
In current accounts	498584	499882
Total	498584	499882

Note 3 - Equity
(A) Equity Share Capital

Particulars	As at 31st March, 2020 (Rs.)	As at 31st March, 2021 (Rs.)
Authorised		
100000 equity shares of ₹ 10 each	1000000	1000000
Issued, Subscribed & Paid up		
50000 equity shares of ₹ 10 each fully paid- up	500000	500000
Total	500000	500000

i) Reconciliation of number of equity shares

	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	Amount (₹ in lakhs)	No. of Shares held	Amount (₹ in lakhs)
Equity Shares:				
Add: Shares issued at the time of Incorporation	50000	500000	50000	500000
Shares at the end of the year	50000	500000	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, 2020		As at 31st March, 2020	
Equity Shares of Rs. 10 held by:	No of Shares	%	No of Shares	%
Raymond Limited, the holding company	50000	100	50000	100

RAYMOND LIFESTYLE LIMITED

Notes to the financial statements for the period ended 31st March, 2021

Note 4 - Other Equity

Reserve and Surplus

Particulars	Reserves & Surplus
Balance as on the date of Incorporation	
Add : loss for the period	(5118)
Balance as at 31.03.2020	(5118)
Add : loss for the period	(6298)
Balance as at 31.03.2021	(11416)

Note 5 - Current Liabilities - Other current financial liabilities

Particulars	As at 31st March, 2021	31st March, 2020
Audit Fees Payable	10000	5000
Total	10000	5000

Note 6 - Other Expenses

Particulars	As at 31st March, 2021	As at 31st March, 2020
Audit Fees	5000	5000
Bank Charges	1298	118
Total	6298	5118

As per our Report of even date

For V.B. DALAL & CO.

Chartered Accountants

For Raymond Lifestyle Limited

Sd/-	Sd/-	Sd/-
Proprietor	Ganeshkumar Subramanian	Harishkumar Hariprasd Chatterjee
Membership No. 10373	Director	Director
F. R. No. 102055W	Din: 00088163	Din: 03560685
Mumbai.		
Date : 30/04/2021		

RAYMOND LUXURY COTTONS LIMITED
ANNUAL REPORT 2020-21

BOARD OF DIRECTORS	:	SHRI HARISHKUMAR CHATTERJEE
		SHRI SANJAY BAHL *(RESIGNED W.E.F. OCTOBER 16, 2020)*
		SMT. RASHMI MUNDADA, INDEPENDENT DIRECTOR
		SHRI R. NARAYANAN, INDEPENDENT DIRECTOR
		SHRI VIJAY PATIL *(APPOINTED W.E.F. FEBRUARY 08, 2021)*
KEY MANAGERIAL PERSONNEL	:	SHRI HARISH CHATTERJEE, MANAGER
		SHRI SRINIVASA VAJHA, CHIEF FINANCIAL OFFICER
		SHRI TABISH SIDDIQUI, COMPANY SECRETARY *(RESIGNED W.E.F. AUGUST 14, 2020)*
		SHRI AKSHAT CHECHANI, COMPANY SECRETARY *(APPPOINTED W.E.F. SEPTEMBER 10, 2020)*
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 MAHAJAN & AIBARA, CHARTERED ACCOUNTANTS LLP
REGISTERED OFFICE	:	NEW HIND HOUSE, N. M. MARG, BALLARD ESTATE, MUMBAI – 400 001, MAHARASHTRA
REGISTRAR AND SHARE TRANSFER AGENT	:	KFIN TECHNOLOGIES PRIVATE 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 Seventeenth Annual Report together with the Audited Financial Statements for the year ended March 31, 2021.

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 ₹ 257.82 Crore (Previous Year: 621.82 crore). Loss after tax was ₹ 38.19 Crore (Previous Year: Profit- ₹14.12 crore).

2. DIVIDEND

In order to conserve the resources of the Company, your Directors do not recommend any dividend for the Financial Year 2020-21.

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, 2021. 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.

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 2021-22. 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 Annual General Meeting.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company has 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 2020-21.

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. Mahajan & Aibara Chartered Accountants 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.

6. SHARE CAPITAL

The paid up Equity Share Capital of the Company as on March 31, 2021 was ₹ 168.68 crore. During the year under review, the Company has not issued any shares. As on March 31, 2021, 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 Board of Directors appointed Shri Vijay Patil (DIN: 07173161) as an Additional Director (Non-Executive Director) with effect from February 08, 2021. In terms of Section 161 of the Companies Act, 2013, Shri Vijay Patil holds office up to the date of ensuing Annual General Meeting. The Board of Directors has recommended the appointment of Shri Vijay Patil at the ensuing Annual General Meeting.

During the year under review, The Board appointed Shri Shantilal Pokharna (DIN: 01289850) as an Additional Director (Non- Executive Director) effective from November 07, 2020. Shri Pokharna resigned as an Additional Director w.e.f. February 08, 2021.

Shri Sanjay Bahl (DIN: 00332153), Non-Executive Director of the Company resigned as a Director from the Board of the Company with effect from October 16, 2020 to pursue other interests. The Board places on record its appreciation for the services rendered by Shri Shantilal Pokharna and Shri Sanjay Bahl during their tenure as Directors of the Company.

The members of the Company at its AGM held on October 12, 2020 regularized the appointment of Shri R. Narayanan (DIN: 00631703) as an Independent Director on the Board of Directors of the Company from February 27, 2020 to February 26, 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 Harishkumar Chatterjee, Director retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment.

During the year, 6 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					
		25-04-2020	24-06-2020	10-09-2020	07-11-2020	08-02-2021	31-03-2021
1.	Shri Harish Chatterjee	✓	✓	✓	✓	✓	✓
2.	Shri R. Narayanan	✓	✓	✓	✓	✓	✓
3.	Smt. Rashmi Mundada	✓	✓	✓	✓	✓	×
4.	Shri Sanjay Bahl [1]	✓	✓	×	NA	NA	NA
5.	Shri Shantilal Pokharna [2]	NA	NA	NA	✓	×	NA
6.	Shri Vijay Patil [3]	NA	NA	NA	NA	✓	✓

[1] Shri Sanjay Bahl resigned as a Director from Board of the Company w.e.f. October 16, 2020.

[2] Shri Shantilal Pokharna was appointed as an Additional Director from November 07, 2020 and resigned as a Director from Board of the Company w.e.f. February 08, 2021.

[3] Shri Vijay Patil was appointed as an Additional Director on the Board of the Company w.e.f. February 08, 2021

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 March 30, 2021, 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 and Managing Director 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 Tabish Siddiqui resigned as Company Secretary of the Company w.e.f. August 14, 2020 and Shri Akshat Chechani was appointed as Company Secretary w.e.f. Sept. 10, 2020.

Your Company currently 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 Akshat Chechani*	Company Secretary

** w.e.f. September 10, 2020*

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 is as under:

1. Shri R. Narayanan : 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				
		25-04-2020	24-06-2020	10-09-2020	07-11-2020	08-02-2021
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 Nomination and Remuneration Committee Meeting held and Attendance of Directors at the meeting is given below:

Sr. No.	Name of Director	DATE OF MEETING			
		24-06-2020	10-09-2020	07-11-2020	08-02-2021
1	Shri R. Narayanan	✓	✓	✓	✓
2	Smt. Rashmi Mundada	✓	✓	✓	✓
3	Shri Sanjay Bahl*	✓	×	NA	NA
4	Shri Shantilal Pokharna**	NA	NA	NA	×
5	Shri Vijay Patil***	NA	NA	NA	NA

** Resigned a Director of the Company and Member of the Committee w.e.f. October 16, 2020.*

*** Inducted as Member of the Committee w.e.f. November 07, 2020 and resigned as a Director of the Company w.e.f. February 08, 2021*

****Inducted as Member of the Committee w.e.f. February 08, 2021.*

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 is as under:

Shri R. Narayanan	: 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. <u>Committee of the Directors</u>

The composition of the Committee of Directors as on the date of the report is as under:

1.	Shri R. Narayanan	:	Independent Director
2.	Shri Harish Chatterjee	:	Executive Director
3.	Shri Vijay Patil	:	Non –Executive Director

Shri S. L. Pokharna was appointed as a member of the Committee in place of Shri Sanjay Bahl, effective from November 7, 2020. Owing to resignation of Shri S.L. Pokharna, Shri Vijay Patil was inducted as a member of the Committee effective from February 8, 2021.

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. <u>VIGIL MEHCANISM FOR DIRECTORS AND EMPLOYEES</u>

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 2020-2021 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 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, 2021, 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, 2021 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

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. 2020-21 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(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 this Report.

22. IMPACT OF COVID-19

In March 20, 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. 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. In February, 2021, the country was hit by a second wave which worsened the situation all hopes of revival were put to rest. A detailed note on the impact of COVID-19 on the operations of the Company forms part of the Notes to the Financial Statements.

23. AWARDS AND ACHIEVEMENTS

During the year under review, your Company has bagged awards as mentioned hereunder:

- Amravati Plant: Global Organic Textile standard certification, Organic Content Standard certification, OEKO-TEX certification for STANDARD 100 & Certificate of Conformity of European Flax by Bureau of Veritas
- Amravati Plant: Certificate of IMS issued by M/S DnV GL – Certificate of continuation with rating 4 (out of 5)
- Kolhapur Plant: Won the 15th State Level Awards for Excellence in Energy Conservation and Management from MEDA

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 under this Act.

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 03, 2021	**Director**	**Director**
Mumbai	**DIN: 03560685**	**DIN: 07173161**

Annexure 1

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021
[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, 2021 ("**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, 2021 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 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, except for the board meeting held on April 25, 2020, which was held at shorter notice 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.

Re-appointment of Shri R. Narayanan (DIN: 00631703) as an Independent Director on the Board of Directors of the Company from February 27, 2020 to February 26, 2022.

For **ROBERT PAVREY& ASSOCIATES**
Company Secretaries

Place: Mumbai

sd/-

Dated: May 1, 2021

ROBERT PAVREY Proprietor
FCS 2928 CP. No. : 1848
UDIN: F002928C000221751

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

Sd/-
ROBERT PAVREY
Proprietor
FCS 2928 CP. No. : 1848
UDIN: F002928C000221751

Place: Mumbai
Dated: May 1, 2021

Annexure – 2

Annual Report on CSR Activities

1. 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/sites/default/files/CSR%20Policy.pdf

2. The composition of the CSR Committee:

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 R. Narayanan	Chairman, Independent Director	0	0
2.	Smt. Rashmi Mundada	Member, Independent Director	0	0
3.	Shri Harishkumar Chatterjee	Member, Executive Director	0	0

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: http://www.raymond.in/sites/default/files/CSR%20Policy.pdf

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): NA

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: NA

6. Average net profit of the company as per section 135(5): Rs. 23,50,00,000

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 47 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. 47 Lakh

8. (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**
47 Lakh	Nil	Nil	NA	NA	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:

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.	Sponsoring purchase of hemodialysis machines	Item No (i): Eradicating hunger, poverty and malnutrition, [“promoting health care including preventinve health care”]	**Yes**	**Maharashtra**	**Mumbai Suburban**	**12.6 Lakh**	**No**	**APEX KIDNEY FOUNDATION**	**CSR00007267**
2.	Introduction of e-learning	Item No (ii) Promoting	**Yes**	**Maharashtra**	**Thane**	**30 Lakh**	**No**	**THANE LAKE CITY**	**Not Available**

	facility from pre-primary level to HSC Level at Twins School, Manpada-Thane.	education,							
3.	Salaries of the teaching and non-teaching staff of schools run by Raichel Joseph Foundation.	Item No (ii): Promoting education.	**Yes**	**Maharashtra**	**Mumbai Suburban**	**3.90 Lakh**	**No**	**RAICHEL JOSEPH FOUNDATION**	**Not Available**
4.	Providing education (through online/ classroom method) and therapy services (Tele Rehab / therapy centers), vocational training and skills development to children/youth with disability.	Item No (ii): Promoting education, including vocation skills among children, women, elderly and the differently abled.	**Yes**	**Maharashtra**	**Mumbai City**	**0.5 Lakh**	**No**	**ADAPT**	**CSR00001228**

(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): Rs. 47 Lakh

(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)	47 Lakh
ii.	Total amount spent for the Financial Year	47 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)]	-

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): NA

Sd/-
Shri Harishkumar Chatterjee
Director
DIN: 03560685

Sd/-
Shri R. Narayanan
Director
DIN: 00631703

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 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)

(A)	**Conservation of energy-**	
(i)	the steps taken to conserve energy;	The company is making continuous efforts on ongoing basis for energy conservation by adopting innovative measures to reduce wastage and optimise 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: 1. EnMS 50001:2018 certification from TUV. 2. ETP – MEE – CIP water in MEE is being reduced and this has reduced the working of MEE. Due to this power and coal consumption has reduced. 3. 2 boilers were in operation, by staggering and planning of machines, one boiler is stopped leading to huge saving in coal consumption. 4. Flash steam is being recovered which has helped to reduce the coal consumption.
(ii)	the steps taken by the company for utilizing alternate sources of energy;	1 MW Roof top solar is installed and started in March 21
(iii)	the capital investment on energy conservation equipments;	The Capital investment on energy conservation equipment's is Rs. 20 lakh during the FY 2020-2021.
(B)	**Technology absorption-**	
(i)	the efforts made towards technology absorption;	1. In house upgradation of Murata winding machine has helped in increasing the production and quality 2. In few areas, Low efficiency motors is being replaced with high efficiency motor 3. Led lights 18 watts in place of convention lights 38 watt has reduced power consumption in offices
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	1. Due to above identified initiatives in technology absorption, following benefits are derived: o Cost reduction by import substitution. o Quality improvement o Increased production 2. New finish and product developed during 2020-21 o Vira Safe finish o Vira Safe with Resists spill finish o Antimicrobial with Moisture management. o Cotton Tencel o Fairtrade Cotton o Formaldehyde free finish o FreshTech o MoistTech o Fearless White o Fearless Black

(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;	
(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	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 ₹ 1560.27 Lakh (Previous Year: ₹ 3000.98 Lakh). The Foreign Exchange outgo during the year was ₹ 7279.10 Lakh (Previous Year: ₹ 8872.88 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, 2021, 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, 2021 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 theethical 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 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 AnnexureA, 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 has no long term contracts including derivative contracts outstanding as on March 31, 2021,

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

Sd/-

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

Sd/-

Lalit R. Mhalsekar
Partner
Membership No.103418

UDIN: 21103418AAAADS5187

Place: Mumbai
Date: May 3, 2021

Annexure A to Independent Auditor's Report – March 31, 2021

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, 2021, we report the following:

i a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) The Company has a regular programme of physical verification of fixed assets to cover all the fixed assets over a period of three years which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the programme of physical verification, a portion of the fixed assets has been physically verified during the year and no material discrepancies have been noticed on such verification.

c) According to the information and explanations given to us and based on examination of records of the Company, the title deeds of immovable properties are held in name of the Company.

ii According to information and explanation given to us, the inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records have been dealt with in books of accounts.

iii According to information and explanation given to us, during the year the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly paragraph 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 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Goods and Service Tax

(GST), Customs Duty, Value Added Tax (VAT), Entry Tax, Income Tax, Cess, and other material statutory dues applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Customs Duty, Value Added Tax, Entry Tax (VAT), Income Tax, Wealth Tax, and Cess were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us, there are no dues of Provident Fund, Employees' State Insurance, Sales Tax, Goods and Service Tax (GST), Customs Duty, Value Added Tax (VAT), Entry Tax, Income Tax, Wealth Tax, and Cess which have not been deposited on account of dispute.

viii In our opinion and according to the information and explanations given to us, the Company has not defaulted/delayed in repayment of loans or borrowings to financial institutions, banks and Government as at March 31, 2021.

Further, The Company has opted for moratorium of 3 months as per Guidelines issued by Reserve Bank of India (RBI) vide its notification no. RBI/2019-20/186/DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020 on COVID-19-Regulator Package from the actual due date for instalments falling between March 1, 2020 to May 31, 2020, and further extending the period of moratorium upto six months vide letter dated May 22,2020 , in the wake of extended lockdown ; thus all the instalments and interest falling due from March 1,2020 to August 31,2020, can be rescheduled for further six months and the tenor of such loans may be shifted accordingly.

For Interest and Instalment payments on working capital and term loan facility from banks falling due from March 01 2020 to May 31, 2020, has been applied upto August 31,2020.

Interest and Instalment not paid as on March 31, 2020 under moratorium scheme given below and the same is repaid on or before March 21, 2021. Hence there is no outstanding moratorium interest and instalment amount as on March 31, 2021.

Facility	Bank Name	Principal		Interest	
		Amount	Due Date	Amount	Due Date
CC	State Bank of India			9.74 Lakhs	31.03.2020
CC	Bank of Maharashtra			5.94 Lakhs	31.03.2020
WCDL	State Bank of India			8.41 Lakhs	31.03.2020
Term Loan	State Bank of India	100 Lakhs	31.03.2020	2.7 Lakhs	31.03.2020
Term Loan	IDBI			13.53 Lakhs	31.03.2020

ix In our opinion and according to the information and explanations given to us, the company has not raised money by way of initial public offer or further public offer during the year under audit. The Company has raised money through term loans (debt instruments) and they were applied for the purpose for which they have been raised.

x 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.

xi In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, during the year the Company has 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.

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 to the Company.

xiii According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with the related parties are in compliance with provisions of section 177 and 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.

xiv According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 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 The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

Sd/-

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

Sd/-

Lalit R. Mhalsekar
Partner
Membership No.103418

UDIN: 21103418AAAADS5187

Place: Mumbai
Date: May 3, 2021

Annexure B to Independent Auditor's Report – March 31, 2021 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, 2021 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. 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements with reference to these 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 Companies Act, 2013, to the extent 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 these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these 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 with reference to these 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial control with reference to these standalone 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to these 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 these standalone financial statements to future periods are subject to the risk that the internal financial control with reference to these 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

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these standalone financial statements and such internal financial controls with reference to these standalone financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to 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.

Sd/-

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

Sd/-

Lalit R. Mhalsekar
Partner
Membership No.103418

UDIN: 21103418AAAADS5187

Place: Mumbai
Date: May 3, 2021

Raymond Luxury Cottons Limited

Balance sheet as at March 31, 2021

(Rs. in Lakhs)

	Particulars	Note	As at 31st March 2021	As at 31st March 2020
I	**ASSETS**			
1	**Non-current Assets**			
	a) Property, Plant and Equipment	2	37,922.03	41,603.36
	b) Capital work-in-progress	2	223.57	391.04
	c) Right-of-Use Assets	2.1	256.10	270.06
	d) Intangible assets	3	0.87	4.64
	e) Financial Assets			
	(i) Others financial assets	4	54.24	54.13
	f) Deferred Tax Assets (Net)	5	790.99	-
	g) Assets for Income Tax (Net)	5	-	322.45
	h) Other non-current assets	6	3,267.39	3,154.56
2	**Current assets**			
	a) Inventories	7	9,064.69	12,033.67
	b) Financial Assets			
	(i) Trade receivables	8	8,294.36	14,097.62
	(ii) Cash and cash equivalents	9	17.12	12.78
	(iii) Bank Balances other than Cash and cash equivalents	10	991.84	942.82
	(iv) Loans	11	0.09	2.17
	(v) Others financial asset	12	1,060.35	976.05
	c) Other current assets	13	551.57	388.67
	TOTAL ASSETS		**62,495.21**	**74,254.02**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	14	16,868.00	16,868.00
	b) Other equity	15	8,739.76	12,521.04
	Liabilities			
2	**Non-current liabilities**			
	a) Financial Liabilities			
	(i) Borrowings	16	7,505.95	9,473.28
	(ii) Other financial liabilities	17	311.12	318.82
	b) Deferred Tax liabilities (Net)	5	-	1,208.28
	c) Tax Liabilities (Net)	5	62.09	-
	d) Other non - current liabilities	18	2,138.32	2,485.56
3	**Current liabilities**			
	a) Financial Liabilities			
	(i) Borrowings	19	9,896.64	10,375.79
	(ii) Trade payables	20		
	Total outstanding dues of micro enterprises and small enterprises		921.64	204.34
	Total outstanding dues of creditors other than micro enterprises and small enterprises		9,049.74	13,724.67
	(iii) Other financial liabilities	21	5,979.73	5,938.51
	b) Provisions	22	438.18	530.36
	c) Other current liabilities	23	584.04	605.37
	TOTAL EQUITY AND LIABILITIES		**62,495.21**	**74,254.02**
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

Sd/-
Harishkumar Chatterjee
Director
DIN: 03560685

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number: 103418
Mumbai, May 3, 2021

Sd/-
Srinivasa Bharadwaja Vajha
Chief Financial Officer
Mumbai, May 3, 2021

Sd/-
Akshat Chechani
Company Secretory

Raymond Luxury Cottons Limited

Statement of Profit and Loss for the year ended March 31, 2021

(Rs. in Lakhs)

	Particulars	Note	Year ended 31st March 2021	Year ended 31st March 2020
I	**INCOME**			
	Revenue from Operations	24	25,782.34	62,182.33
	Other Income	25	486.57	520.53
	Total Income		**26,268.91**	**62,702.86**
II	**EXPENSES**			
	Cost of materials consumed	26	11,661.97	27,475.05
	Changes in inventories of finished goods and work-in progress	27	786.82	(737.72)
	Employee benefits expense	28	5,275.69	6,893.94
	Finance costs	29	2,368.28	2,474.57
	Depreciation and amortization expense	30	3,973.06	4,010.48
	Other expenses	31		
	i) Manufacturing and Operating Costs	31 A	5,857.90	16,418.12
	ii) Other expenses	31 B	2,183.76	4,046.33
	Total expenses		**32,107.48**	**60,580.77**
III	**Profit before exceptional items and tax (I-II)**		**(5,838.57)**	**2,122.09**
IV	**Profit before tax**		**(5,838.57)**	**2,122.09**
V	**Tax expense**	5		
	Current tax		-	373.26
	Tax Pertaining to earlier years			-
	MAT Credit availed/Receivable		-	(373.26)
	Deferred tax charge		(2,019.50)	709.71
VI	**Profit/(Loss) for the period (IV - V)**		**(3,819.07)**	**1,412.37**
VII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements Gain/(Loss) of net defined benefit plans	35	58.03	(84.60)
	(ii) Income tax (Charge)/Crediton (i) above		(20.23)	29.56
	Other Comprehensive Income for the quarter/year (i-ii)		**37.80**	**(55.04)**
VIII	**Total Comprehensive Income for the year (VI + VII)**		**(3,781.27)**	**1,357.33**
IX	**Earnings per equity share of Rs. 10 each (in Rs.):**			
	Basic	44	(2.26)	0.84
	Diluted		(2.26)	0.84
	Nominal Value per share (in Rs.)		10.00	10.00

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

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number: 103418
Mumbai, May 3, 2021

For and on Behalf of Board of Directors

Sd/-
Harishkumar Chatterjee
Director
DIN: 03560685

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Srinivasa Bharadwaja Vajha
Chief Financial Officer
Mumbai, May 3, 2021

Sd/-
Akshat Chechani
Company Secretory

Raymond Luxury Cottons Limited

Statement of Cash flow for the year ended March 31, 2021

(Rs. in Lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	**(5,838.57)**	**2,122.09**
Adjustments for:		
Depreciation and amortisation expenses	3,973.06	4,010.48
Loss/(gain) on sale of fixed assets	(3.73)	0.11
Interest income	(92.81)	(65.21)
Unrealised exchange (loss)/Gain	261.34	(329.18)
Finance Costs	2,368.28	2,474.57
Deferred Income on Government Grant	(347.13)	(352.97)
Remeasurements Gain/(Loss) of net defined benefit plans	58.03	(84.60)
Operating profit before working capital changes	**378.47**	**7,775.29**
Adjustments for:		
Decrease/(Increase) in Trade and Other Receivables	5,749.60	769.42
Decrease/(Increase) in Inventories	2,968.98	(3,497.25)
(Decrease)/Increase in Liabilities and Provision	(4,323.27)	2,224.53
Cash generated from operations	**4,773.78**	**7,271.99**
Taxes paid (net of refunds)	384.54	(585.86)
Net cash generated from operating activities - [A]	**5,158.32**	**6,686.13**
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment/ intangible assets/CWIP	(139.25)	(1,314.02)
Sale proceeds of property, plant and equipment	5.08	-
Purchase/sale of current investments (Net)	-	-
Interest received	92.81	65.21
Net cash used in investing activities - [B]	**(41.36)**	**(1,248.81)**
CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of borrowings	(2,194.84)	(4,818.22)
Proceeds from borrowings	-	-
Short Term borrowings availed / Repaid - (net)	(479.15)	1,969.88
Interest Paid	(2,389.61)	(2,518.30)
Net cash generated from financing activities - [C]	**(5,063.60)**	**(5,366.64)**
Net increase/(decrease) in cash and cash equivalents - [A+B+C]	53.36	70.68
Add: Cash and cash equivalents at the beginning of the year (Refer note no 9)	955.60	884.92
Cash and cash equivalents at the end of the year (Refer note no 9)	**1,008.96**	**955.60**
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 - Repayments	Closing Balance
For the year eneded March 31, 2021				
Long term borrowings	9,473.28	227.51	(2,194.84)	7,505.95
Interest accrued on long term borrowings	92.52	1,252.18	(1,279.98)	64.72
For the year eneded March 31, 2020				
Long term borrowings	14,191.48	100.02	(4,818.22)	9,473.28
Interest accrued on long term borrowings	114.07	1,632.10	(1,653.65)	92.52

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

Sd/-
Harishkumar Chatterjee
Director
DIN: 03560685

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number: 103418
Mumbai, May 3, 2021

Sd/-
Srinivasa Bharadwaja Vajha
Chief Financial Officer
Mumbai, May 3, 2021

Sd/-
Akshat Chechani
Company Secretory

Raymond Luxury Cottons Limited

Statement of Changes in Equity for the year ended March 31, 2021

A. Equity share capital

(Rs. in Lakhs)

Particulars	Note	Amounts
As at 31 March 2019		**16,868.00**
Changes in equity share capital	13A	-
As at 31 March 2020		**16,868.00**
Changes in equity share capital	13A	-
As at 31 March 2021		**16,868.00**

B. Other equity

(Rs. in Lakhs)

Particulars	Note	Amounts
Retained Earnings		
Balance as at 1st April 2019	13B	**11,163.70**
Profit for the year		1,412.37
Other Comprehensive Income for the year		(55.04)
Total Comprehensive Income for the year		1,357.33
Balance as at 31st March 2020	13B	**12,521.03**
Profit for the year		(3,819.07)
Other Comprehensive Income for the year		37.80
Total Comprehensive Income for the year 31st March 2021		**8,739.76**
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

Sd/-

Lalit R. Mhalsekar

Partner

Membership Number: 103418
Mumbai, May 3, 2021

For and on Behalf of Board of Directors

Sd/-

Harishkumar Chatterjee
Director
DIN: 03560685

Sd/-

Vijay Patil
Director
DIN: 07173161

Sd/-

Srinivasa Bharadwaja Vajha
Chief Financial Officer
Mumbai, May 3, 2021

Sd/-

Akshat Chechani
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

1) 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

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.

2) 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

<u>Company as a lessee</u>

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.

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.

3) 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 - 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 2019	**252.47**	**11,831.18**	**43,168.08**	**362.27**	**8.33**	**54.25**	**55,676.58**	**193.12**
Additions			944.03	20.03		10.10	974.16	1,172.08
Disposals			0.30				0.30	974.16
Relclassification		(105.55)	105.55					
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 Mar 2021	**252.47**	**11,864.65**	**44,350.62**	**384.50**	**0.55**	**64.79**	**56,917.58**	**223.57**
Accumulated Depreciation								
Balance as at 31st March 2019	**11.08**	**985.90**	**9,844.04**	**179.85**	**6.25**	**28.43**	**11,055.55**	**-**
Charge for the year	2.77	502.63	3,422.17	50.15	0.53	13.47	3,991.72	-
Disposals			0.20				0.20	-
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 Mar 2021	**16.62**	**1,978.91**	**16,678.75**	**269.30**	**0.41**	**51.56**	**18,995.55**	**-**
Net Carrying Amount								
Balance as at 31st March 2020	**238.62**	**10,237.10**	**30,951.34**	**152.30**	**1.55**	**22.45**	**41,603.36**	**391.04**
Balance as at 31st Mar 2021	**235.85**	**9,885.74**	**27,671.87**	**115.20**	**0.14**	**13.23**	**37,922.03**	**223.57**

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 against borrowing refer note no 36

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 2.1 - Right-of-Use Assets

(Rs. in lakhs)

Particulars	Building	Total
Gross Carrying Amount		
Balance as at 1st April 2019	**-**	**-**
Transition on account of adoption of Ind AS 116*	282.93	282.93
Additions	-	-
Disposals	-	-
Balance as at 31st March 2020	**282.93**	**282.93**
Additions	-	-
Disposals	-	-
Balance as at 31st March 2021	**282.93**	**282.93**
Accumulated Depreciation		
Balance as at 1st April 2019	**-**	**-**
Charge for the year	12.87	12.87
Disposals	-	-
Balance as at 31st March 2020	**12.87**	**12.87**
Charge for the year	13.96	13.96
Disposals	-	-
Balance as at 31st March 2021	**26.83**	**26.83**
Net Carrying Amount		
Balance as at 31st March 2021	**256.10**	**256.10**
Balance as at 31st March 2020	**270.06**	**270.06**
* 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 2019	**25.65**	**25.65**
Additions	0.17	0.17
Disposals	-	-
Balance as at 31st March 2020	**25.82**	**25.82**
Additions	0.43	0.43
Disposals	-	-
Balance as at 31st Mar 2021	**26.25**	**26.25**
Accumulated Depreciation		
Balance as at 31st March 2019	**15.29**	**15.29**
Charge for the year	5.89	5.89
Disposals	-	-
Balance as at 31st March 2020	**21.18**	**21.18**
Charge for the year	4.19	4.19
Disposals		-
Balance as at 31st Mar 2021	**25.37**	**25.37**
Net Carrying Amount		
Balance as at 31st Mar 2021	0.87	0.87
Balance as at 31st March 2020	4.64	4.64

other than Internally generated.
Balance useful life of the assets is 2 years for additions made during year.

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	As at 31st March 2021	As at 31st March 2020
Security Deposits	54.24	54.13
Total	**54.24**	**54.13**

Note: 5(a): Income Tax
Tax expense recognised in the Statement of Profit and Loss

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Current tax		
Current year	-	373.26
MAT credit entitlement	-	(373.26)
Total	**-**	**-**
Deferred tax		
Origination and reversal of temporary difference	(2,019.50)	709.71
Total deferred income tax expense/(credit)	**(2,019.50)**	**709.71**
Income tax expense/(credit) for current year	(2,019.50)	709.71
Income tax expense for earlier years	-	-
Total income tax expense/(credit)	**(2,019.50)**	**709.71**

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	As at 31st March 2021	As at 31st March 2020
Reconciliation of effective tax rate		
Profit before tax	**(5,838.57)**	**2,122.09**
Enacted income tax rate in India (%)	34.94	34.94
Income Tax expense as per enacted rate	(2,040.23)	741.54
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	30.30	15.75
Others Specified as below:		
Other items	(9.57)	(47.58)
Income tax expense/(credit) for current year	**(2,019.50)**	**709.71**
Effective tax rate (%)	**34.59%**	**33.44%**

Consequent to reconciliation items shown above, the effective tax rate is 34.59% (2019-20: 33.44%)

Note: 5(b): Income Tax

The movement in deferred tax assets and liabilities for the year ended 31st March 2021:

(Rs. in lakhs)

Particulars	As at 31st March 2020	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March 2021
Deferred tax assets/(liabilities)				
Provision for post retirement benefits and other employee benefits	185.34	(11.93)	-	173.40
Provision for doubtful debts and advances	392.16	11.88	-	404.04
Expenses allowable for tax purposes when paid	104.68	8.52	-	113.20
Depreciation	(3,763.82)	(68.92)	-	(3,832.74)
Unabsorbed losses*	332.76	2,073.64	-	2,406.39
Transaction cost for Borrowings	(8.07)	3.59	-	(4.49)
Interest cost on lease liability	10.36	10.30	-	20.66
Lease rent paid/payable	(11.97)	(12.44)	-	(24.41)
Depreciation on right to use asset	4.50	4.88	-	9.38
MAT credit receivable	1,506.94	-	-	1,506.94
Remeasurements of net defined benefit plans	38.85	-	(20.23)	18.62
Total	**(1,208.28)**	**2,019.51**	**(20.23)**	**790.99**

*Carried Forward losses of earlier years.

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 6 - Other non-current assets

(Rs. in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Capital advances (Refer note 34(a))	37.92	29.72
Balance with government authorities	3,229.47	3,124.84
Total	**3,267.39**	**3,154.56**

Note: 7 - Inventories

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Raw Materials	2,342.04	3,157.80
Raw Materials - In Transit	485.29	1,580.65
Work-in-progress	2,884.26	3,425.49
Finished goods	2,567.57	2,813.16
Stores and Spares	748.33	985.52
Stores and Spares - In Transit	37.20	71.05
Total	**9,064.69**	**12,033.67**

Write down of Inventories to NRV amounted to Rs. 622.98 Lakhs (31st March 2020 Rs.522.44 Lakhs);. These 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.

Note: 8 - Trade receivables

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured, considered good		
Related parties (Refer Note- 38)	3,732.20	8,980.46
Other parties	4,596.13	5,117.16
Less: Allowance for bad and doubtful debts*	(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	**8,294.36**	**14,097.62**

The provision for doubtful debt pertains to
**Amount recoverable from erstwhile JV partner Cottonificio Honegger S.p.a (CH) (Refer Note 41). Since CH is one off party among the debtors, no disclosure on expected credit loss has been given.
**Amount recoverable from Lisa K

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	As at 31st March 2021	As at 31st March 2020
Balance as at beginning of the year	1,122.24	1,122.24
Allowance for bad and doubtful debts during the year	33.97	-
Trade receivables written off during the year	-	-
Balance as at the end of the year	**1,156.21**	**1,122.24**

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 9 - Cash and cash equivalents

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Balances with Banks in current accounts	17.09	12.68
Cash on hand	0.03	0.10
Total	**17.12**	**12.78**

Note: 10 - Bank Balances other than Cash and cash equivalents

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Balances head as Margin money deposits	991.84	942.82
Total	**991.84**	**942.82**

Note: 11 - Loans

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Loans to employees	0.09	2.17
	0.09	**2.17**

Note: 12 - Other Financial Assets

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Considered good		
Other assets	107.08	26.78
Export benefits receivables	4.37	4.40
Interest Receivable	34.77	30.74
Interest Subsidy Receivable	914.13	914.13
Total	**1,060.35**	**976.05**

Note: 13 - Other Current Assets

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Advances to Suppliers	318.69	89.17
Balance with government authorities	39.21	70.23
Prepaid expenses	127.00	121.16
Other advances	0.52	59.94
Export benefits receivables	66.15	48.17
Total	**551.57**	**388.67**

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 14 - Share capital

(Rs. in lakhs)

	As at 31st March 2021	As at 31st March 2020
Authorised		
210,000,000 (31st March, 2019: 210,000,000) Equity Shares of Rs. 10 each	21,000.00	21,000.00
Issued		
207,000,000 (31st March, 2019: 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, 2019: 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

	As at 31st March, 2021		As at 31st March, 2020	
	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 shareholders holding more than 5% of the aggregate shares in the Company:

Name of Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	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

15. Other equity

(Rs. in Lakhs)

Particulars	Reserves and Surplus
Retained Earnings	
Balance as at 31st March 2019	**11,163.70**
Profit for the year	1,412.37
Other Comprehensive Income for the year	(55.04)
Total Comprehensive Income for the year	1,357.33
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 March 2021	**8,739.76**

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 16 - Non-current liabilities Borrowings

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Secured		
Term loans from banks (Refer note 34)	7,505.95	9,473.28
Total	**7,505.95**	**9,473.28**

Nature of Security and terms of repayment for Long Term

The Company had opted for moratorium of 3 months as per Guidelines issued by Reserve Bank of India (RBI) vide its notification no. RBI/2019-20/186/DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020 on COVID-19-Regulator Package from the actual due date for installments falling between March 1, 2020 to May 31, 2020., and further extending the period of moratorium upto six months vide letter dated May 22,2020 , in the wake of extended lockdown ; thus all the instalments and interest falling due from March 1,2020 to August 31,2020, had been rescheduled for further six months and the tenor of such loans had been shifted accordingly.

For Interest and Instalment payments on working capital and term loan facility from banks falling due from March 01 2020 to May 31, 2020, had been applied upto August 31, 2020.
Interest and Instalment was not paid as on March 31, 2020 under moratorium scheme given below and the same is repaid on or before March 31, 2021. Hence there is no outstanding Moratorium Interest and Installment amount as at March 31, 2021.

Facility	Bank Name	Principal		Interest	
		Amount	Due Date	Amount	Due Date
CC	State Bank of India			9.74 Lakhs	31.03.2020
CC	Bank of Maharashtra			5.94 Lakhs	31.03.2020
WCDL	State Bank of India			8.41 Lakhs	31.03.2020
Term Loan	State Bank of India	100 Lakhs	31.03.2020	2.7 Lakhs	31.03.2020
Term Loan	IDBI			13.53 Lakhs	31.03.2020

Nature of Security and balance outstanding	Terms of Repayment**
i) Term loan under TUFS of Rs. 652.26 Lakhs (31st March 2020: Rs.990.31 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 9.40% per annum* (31st March 2020: 10.25% p.a)*.
ii) Term loan under TUFS of Rs. 780 Lakhs (31st March 2020: Rs. 1040 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 9.40% per annum* (31st March 2020: 10.25% p.a.)*.
iii) Term loan under TUFS of Rs. 1028.94 Lakhs (31st March 2020: Rs. 1442.14 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 11.05% per annum* (31st March 2020: 11.05% p.a.)*.
iv) Term loan under TUFS of Rs.700.88 Lakhs (31st March 2020: Rs. 818.07 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 9.40% per annum* (31sr March 2020: 10.25%)*.
v) Term loan under TUFS of Rs. 8,958.30 Lakhs (31st March 2020: Rs. 9,734.98 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 8.75% per annum*.(31st March 2020: 8.75%)*.

The amounts mentioned include installments falling due within a year aggregating to Rs. 4,601.63 Lakhs (31st March 2020: Rs.4,829.14 Lakhs) have been grouped under “Current maturities of long-term debt" [Refer Note 21]

Amount of Rs. 12.81 Lakhs (31st March, 2020: Rs. 23.08 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 provision for March 2021.

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 17 - Other financial liabilities

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Lease liability	311.12	318.82
Total	**311.12**	**318.82**

Note: 18 - Other non - current liabilities

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Government Grants relating to assets (Refer Note 23 and 34 (b))	2,138.32	2,485.56
Total	**2,138.32**	**2,485.56**

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 1q). 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 1q). 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 Liabilities Borrowings

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Secured		
Working capital loans from Banks repayable on demand [Refer Note 36]*	6,433.33	10,375.79
Unsecured		
Acceptances	1,463.31	-
Loans & Advances from related Parties [Refer Note 38]	2,000.00	-
Total	**9,896.64**	**10,375.79**

* 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.

Raymond Luxury Cottons Limited
Notes to the Financial Statements
Note: 20 - Trade payables

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Amounts payable to related parties [Refer Note 38]	127.59	195.65
Others (including provision for expenses)	8,922.15	13,529.02
	9,049.74	**13,724.67**
Total outstanding dues of micro enterprises and small enterprises	921.64	204.34
	921.64	**204.34**
Total	**9,971.38**	**13,929.01**

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.

Note: 21 - Other financial liabilities

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Current maturities of long-term debt	4,601.63	4,829.14
Interest accrued but not due on borrowings	91.22	108.50
Retention money and Security Deposits	69.40	88.00
Salary and Wages payable	1,173.40	859.62
Capital Creditors	13.83	36.98
Lease liability	8.04	5.76
Other payables	22.22	10.51
Total	**5,979.73**	**5,938.51**

Note: 22 -Provisions

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for employee benefits [Refer Note: 37]	438.18	530.36
Total	**438.18**	**530.36**

Note: 23 - Other current liabilities

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Advances from customer	145.97	111.92
Statutory Dues	90.83	146.32
Government Grants relating to assets (Refer Note 18 and 34 (b))	347.24	347.13
Total	**584.04**	**605.37**

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 24 - Revenue from Operations

(Rs. in lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Sale of manufactured goods - fabrics	25,615.03	61,755.19
Income from services - Job work	8.93	0.36
Other operating revenue		
- Export incentives	45.26	79.71
- Sale of process waste	113.12	347.07
Total	**25,782.34**	**62,182.33**

Note: 25 - Other Income

(Rs. in lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Interest income	92.81	65.21
Net gain on disposal of property, plant and equipments	3.73	-
Deferred Income on Government Grant (Refer Note 18 and 23)*	347.13	352.97
Other non-operating income	42.90	102.35
Total	**486.57**	**520.53**

* Government grants are related to strategic capital expenditure towards expansion 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 31st March 2021	Year ended 31st March 2020
Opening Stock	3,157.80	2,476.86
Add: Purchases	10,846.21	28,155.99
Less : Closing Stock	2,342.04	3,157.80
Total	**11,661.97**	**27,475.05**

Note: 27 - Changes in Inventories of Finished goods and Work-in-progress

(Rs. in lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Opening inventories		
Finished goods	2,813.16	2,306.93
Work-in-progress	3,425.49	3,194.00
Closing inventories		
Finished goods	2,567.57	2,813.16
Work-in-progress	2,884.26	3,425.49
Total	**786.82**	**(737.72)**

Raymond Luxury Cottons Limited
Notes to the Financial Statements
Note: 28 - Employee Benefits Expense

(Rs. in lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Salaries, wages, etc.(including managerial remunaration)	4,656.06	6,167.03
Contribution to provident funds and other funds	254.19	273.69
Gratuity (Refer Note 37)	106.35	80.38
Staff welfare expenses	259.09	372.84
	5,275.69	**6,893.94**
Total	**5,275.69**	**6,893.94**

Note: 29 - Finance Costs

(Rs. in lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Interest on Term Loans	1,252.18	1,632.10
Interest on bank overdraft/ short term borrowings	1,076.37	800.43
Interest on lease liability	29.47	29.66
Other borrowing costs (amortisation of Processing fees)	10.26	12.38
	2,368.28	**2,474.57**
Total	**2,368.28**	**2,474.57**

Note: 30 - Depreciation and Amortization Expense

(Rs. in lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Depreciation on Property, Plant and Equipment	3,954.91	3,991.72
Depreciation on Right to use assets	13.96	12.87
Amortisation on Intangible assets	4.19	5.89
Total	**3,973.06**	**4,010.48**

Note: 31 - Other expense

31A) Manufacturing and Operating Costs

(Rs. in lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Consumption of stores and spare parts	2,298.92	6,118.30
Power, water and fuel	1,827.18	3,592.96
Job work charges	1,010.99	4,873.27
Repairs to buildings	23.45	520.00
Repairs to machinery	472.15	1,068.49
Other Manufacturing and Operating expenses	225.21	245.10
	5,857.90	**16,418.12**
Total	**5,857.90**	**16,418.12**

Raymond Luxury Cottons Limited
Notes to the Financial Statements

31B) Other Expenses

(Rs. in lakhs)

Particulars	**Year ended 31st March 2021**	**Year ended 31st March 2020**
Rent	20.94	21.72
Insurance	157.67	272.32
Repairs & Maintenance Others	5.32	15.78
Rates and Taxes	57.71	39.40
Commission to selling agents	117.91	211.93
Freight, Octroi, etc	117.44	202.88
Legal and Professional Expenses	345.80	691.25
Director Fees	8.50	8.50
Expenditure towards Corporate Social Responsibilities	47.00	49.00
Donations	2.50	3.00
Corporate Facility Charges	439.18	656.16
Provision for doubtful debts	(3.55)	37.53
Assets/Receivable/advances - Write off	-	101.11
Travelling and Conveyance	78.36	372.03
IT outsourced Support Services	98.10	178.81
Net Loss on disposal of property, plant and equipments	-	0.11
Bank Charges	182.44	173.13
Miscellaneous Expenses	508.44	1,011.68
Total	**2,183.76**	**4,046.33**

a. Details of payments to auditors (included in Legal and professional expenses)

(Rs. in lakhs)

Particulars	**Year ended 31st March 2021**	**Year ended 31st March 2021**
Statutory audit fees	23.40	30.00
Fees for audit related services	3.00	3.00
Reimbursement of expenses	-	0.39
Total	**26.40**	**33.39**

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 17 - Other financial liabilities

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Lease liability	311.12	318.82
Total	**311.12**	**318.82**

Note: 18 - Other non - current liabilities

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Government Grants relating to assets (Refer Note 23 and 34 (b))	2,138.32	2,485.56
Total	**2,138.32**	**2,485.56**

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 1q). 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 1q). 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 Liabilities Borrowings

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Secured		
Working capital loans from Banks repayable on demand [Refer Note 36]*	6,433.33	10,375.79
Unsecured		
Acceptances	1,463.31	-
Loans & Advances from related Parties [Refer Note 38]	2,000.00	-
Total	**9,896.64**	**10,375.79**

* 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.

Raymond Luxury Cottons Limited
Notes to the Financial Statements
Note: 20 - Trade payables

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Amounts payable to related parties [Refer Note 38]	127.59	195.65
Others (including provision for expenses)	8,922.15	13,529.02
	9,049.74	**13,724.67**
Total outstanding dues of micro enterprises and small enterprises	921.64	204.34
	921.64	**204.34**
Total	**9,971.38**	**13,929.01**

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.

Note: 21 - Other financial liabilities

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Current maturities of long-term debt	4,601.63	4,829.14
Interest accrued but not due on borrowings	91.22	108.50
Retention money and Security Deposits	69.40	88.00
Salary and Wages payable	1,173.40	859.62
Capital Creditors	13.83	36.98
Lease liability	8.04	5.76
Other payables	22.22	10.51
Total	**5,979.73**	**5,938.51**

Note: 22 -Provisions

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for employee benefits [Refer Note: 37]	438.18	530.36
Total	**438.18**	**530.36**

Note: 23 - Other current liabilities

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Advances from customer	145.97	111.92
Statutory Dues	90.83	146.32
Government Grants relating to assets (Refer Note 18 and 34 (b))	347.24	347.13
Total	**584.04**	**605.37**

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 24 - Revenue from Operations

(Rs. in lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Sale of manufactured goods - fabrics	25,615.03	61,755.19
Income from services - Job work	8.93	0.36
Other operating revenue		
- Export incentives	45.26	79.71
- Sale of process waste	113.12	347.07
Total	**25,782.34**	**62,182.33**

Note: 25 - Other Income

(Rs. in lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Interest income	92.81	65.21
Net gain on disposal of property, plant and equipments	3.73	-
Deferred Income on Government Grant (Refer Note 18 and 23)*	347.13	352.97
Other non-operating income	42.90	102.35
Total	**486.57**	**520.53**

* Government grants are related to strategic capital expenditure towards expansion 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 31st March 2021	Year ended 31st March 2020
Opening Stock	3,157.80	2,476.86
Add: Purchases	10,846.21	28,155.99
Less : Closing Stock	2,342.04	3,157.80
Total	**11,661.97**	**27,475.05**

Note: 27 - Changes in Inventories of Finished goods and Work-in-progress

(Rs. in lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Opening inventories		
Finished goods	2,813.16	2,306.93
Work-in-progress	3,425.49	3,194.00
Closing inventories		
Finished goods	2,567.57	2,813.16
Work-in-progress	2,884.26	3,425.49
Total	**786.82**	**(737.72)**

Raymond Luxury Cottons Limited
Notes to the Financial Statements
Note: 28 - Employee Benefits Expense

(Rs. in lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Salaries, wages, etc.(including managerial remunaration)	4,656.06	6,167.03
Contribution to provident funds and other funds	254.19	273.69
Gratuity (Refer Note 37)	106.35	80.38
Staff welfare expenses	259.09	372.84
	5,275.69	**6,893.94**
Total	**5,275.69**	**6,893.94**

Note: 29 - Finance Costs

(Rs. in lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Interest on Term Loans	1,252.18	1,632.10
Interest on bank overdraft/ short term borrowings	1,076.37	800.43
Interest on lease liability	29.47	29.66
Other borrowing costs (amortisation of Processing fees)	10.26	12.38
	2,368.28	**2,474.57**
Total	**2,368.28**	**2,474.57**

Note: 30 - Depreciation and Amortization Expense

(Rs. in lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Depreciation on Property, Plant and Equipment	3,954.91	3,991.72
Depreciation on Right to use assets	13.96	12.87
Amortisation on Intangible assets	4.19	5.89
Total	**3,973.06**	**4,010.48**

Note: 31 - Other expense

31A) Manufacturing and Operating Costs

(Rs. in lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Consumption of stores and spare parts	2,298.92	6,118.30
Power, water and fuel	1,827.18	3,592.96
Job work charges	1,010.99	4,873.27
Repairs to buildings	23.45	520.00
Repairs to machinery	472.15	1,068.49
Other Manufacturing and Operating expenses	225.21	245.10
	5,857.90	**16,418.12**
Total	**5,857.90**	**16,418.12**

Raymond Luxury Cottons Limited
Notes to the Financial Statements

31B) Other Expenses

(Rs. in lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Rent	20.94	21.72
Insurance	157.67	272.32
Repairs & Maintenance Others	5.32	15.78
Rates and Taxes	57.71	39.40
Commission to selling agents	117.91	211.93
Freight, Octroi, etc	117.44	202.88
Legal and Professional Expenses	345.80	691.25
Director Fees	8.50	8.50
Expenditure towards Corporate Social Responsibilities	47.00	49.00
Donations	2.50	3.00
Corporate Facility Charges	439.18	656.16
Provision for doubtful debts	(3.55)	37.53
Assets/Receivable/advances - Write off	-	101.11
Travelling and Conveyance	78.36	372.03
IT outsourced Support Services	98.10	178.81
Net Loss on disposal of property, plant and equipments	-	0.11
Bank Charges	182.44	173.13
Miscellaneous Expenses	508.44	1,011.68
Total	**2,183.76**	**4,046.33**

a. Details of payments to auditors (included in Legal and professional expenses)

(Rs. in lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2021
Statutory audit fees	23.40	30.00
Fees for audit related services	3.00	3.00
Reimbursement of expenses	-	0.39
Total	**26.40**	**33.39**

Note: 32- Disclosure as required under Section 22 of Micro, Small and Medium Enterprises Development Act, 2006 (MSME) are as under –

(Rs. in Lakhs)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
a)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year;	958.84	223.42
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	1,892.71
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)	37.20	19.07
d)	The amount of interest accrued and remaining unpaid at the end of accounting year	82.20	44.99
e)	Further interest remaining due and payable for earlier years	44.99	25.92

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)

There is no contingent liability identified during the year

b) Contingent assets
There is no contingent asset identified during the year

Note: 34 - Capital and other Commitments

(Rs. in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
(a) Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:		
Property, plant and equipment	97.79	140.26
Less: Capital advances	(37.92)	(29.72)
Net Capital commitments	**59.87**	**110.54**
(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 18 and 23)	18,605.00	18,605.00
	18,664.88	**18,715.54**

Note: 35 - Lease

(Rs. in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
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. 20.94 Lakhs (2019-20 Rs. 21.72 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	35.93	7.70
For a period later than one year and not later than five years	160.63	31.08
For a period later than five years	114.57	280.04

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 31st March 2021 for measuring lease liabilities at ₹ 319.16 lakhs (31st March 2020 - ₹ 324.58 lakhs) and accordingly measured right-of-use assets at ₹ 256.10 lakhs (31st March 2020 - ₹ 270.06 lakhs) (after adjusting prepaid lease rent), as at the aforesaid date. In the Statement of Profit and Loss, 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 periods prior to 1st April 2019. On transition to Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised was 8.5% p.a.

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 36 - Assets pledged as Security

(Rs. in Lakhs)

Particulars	**As at 31st March 2021**	**As at 31st March 2020**
A) Non-current Asset (to the extent covered in Loans)		
Land hold land	235.85	238.62
Buildings	9,885.74	10,237.10
Plant and equipment	27,671.87	30,951.34
Furniture & fixtures	115.20	152.30
Office equipments	13.23	22.45
Vehicles	0.14	1.55
Capital Work-in-progress	223.57	391.04
	38,145.59	**41,994.40**
B) Current Asset (to the extent covered in Loans)		
Inventories	9,064.69	12,033.67
Trade receivable	8,294.36	14,097.62
	17,359.05	**26,131.29**
Total Assets pledged as security	**55,504.65**	**68,125.69**
# Refer Note 2, 7, 8, 16 and 19.		

Raymond Luxury Cottons Limited
Notes to the Financial Statements

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 254.19 Lakhs (31st March 2019: Rs.273.69 Lakhs).

B. Defined benefit plan:

Employee Benefit Schemes recognised in the financial statements as at 31st March 2021 and 31st March 2020 are as follows:

(Rs. in Lakhs)

	Defined benefit plans	
Particulars	**As at 31st March 2021**	**As at 31st March 2020**
Present value of plan liabilities	777.37	741.55
Fair value of plan assets	620.02	462.27
Net Plan liability/ (asset)	**157.35**	**279.28**

C. Movements in plan assets and plan liabilities **(Rs. in Lakhs)**

Particulars	Year ended 31st March 2021			Year ended 31st March 2020		
	Plan Assets	**Plan liabilities**	**Total**	**Plan Assets**	**Plan liabilities**	**Total**
As at 1st April	462.27	741.55	279.28	375.03	566.99	191.96
Current service cost		87.30	87.30		65.14	65.14
Return on plan assets excluding amounts included in net finance income/cost	2.90	-	(2.90)	2.87	-	(2.87)
Interest cost		50.57	50.57		45.02	45.02
Interest income	31.53		(31.53)	29.78		(29.78)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(16.56)	(16.56)	-	25.91	25.91
Actuarial (gain)/loss arising from experience adjustments	-	(38.56)	(38.56)	-	61.57	61.57
Employer contributions	123.32	-	(123.32)	77.41	-	(77.41)
Benefit payments	-	(46.93)	(46.93)	(22.83)	(23.07)	(0.25)
As at 31st March	**620.02**	**777.37**	**157.35**	**462.27**	**741.55**	**279.28**

The liabilities are split between different categories of plan participants as follows:
• active members - 1,524 (31st March 2020: 1,570)
The weighted average duration of the defined benefit plans is 17 years (31st March 2020 : 17 Years)
The Company expects to contribute Rs. 156.48 Lakhs (31st March 2020 : 168.16 Lakhs) to the funded plans in the next financial year.

D. Statement of Profit and Loss

(Rs. in Lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Employee Benefit Expenses:		
Current service cost	87.30	65.14
Total	**87.30**	**65.14**
Finance cost/(income)	19.04	15.24
Net impact on the Profit / (Loss) before tax	**106.34**	**80.38**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	(2.90)	(2.87)
Actuarial (gains)/losses arising from changes in financial assumptions	(16.56)	25.91
Experience (gains)/losses arising on pension plan and other benefit plan liabilities	(38.56)	61.57
Net impact (income)/expenses on the Other Comprehensive Income before tax	**(58.03)**	**84.60**

E. Assets

(Rs. in Lakhs)

Particulars	Defined benefit plans	
	Year ended 31st March 2021	Year ended 31st March 2020
Total (A)		
Unquoted		
Insurer Managed Fund	620.02	462.27
Total	**620.02**	**462.27**

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	Year ended 31st March 2021	Year ended 31st March 2020
Actuarial Assumptions		
Discount rate	6.96%	6.82%
Salary Escalation Rate	0.00%-7.50%	3.00%-7.50%
Expected Rate of Return on Assets	6.96%	6.82%

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	2020-21		2019-20	
		Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	(105.34)	129.78	(98.62)	121.99
Salary Escalation Rate	1%	128.28	(100.02)	120.94	(93.78)
Employee Turnover Rate	1%	(6.12)	7.20	(7.30)	8.60

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 17 years (31st March 2020 - 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 2021 as follows:

(Rs. in Lakhs)

Particulars	Defined benefit obligation	
	As at 31st March 2021	**As at 31st March 2020**
1st following year	19.44	61.03
2nd following year	27.71	14.76
3rd following year	41.14	16.64
4th following year	17.66	35.00
5th following year	30.46	16.66
Thereafter	2,593.16	2387.36

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 JK Files (India) Limited, 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

Harish Chatterjee, Director
Harish Chatterjee, Manager
Bibek Agarwala, Director (upto March 03, 2020)**
Narayanan Ramalingam, Director (Expiration of term w.e.f. February 12, 2020)

Narayanan Ramalingam, Director (Re-appointed w.e.f. February 27, 2020)

R. A. Prabhudesai, Director (Expiration of term w.e.f. February 12, 2020)
Sanjay Bahl, Director**
Vijay Patil, Director
(appointed w.e.f Februray 8, 2021)

Bibekananda Pradhan, Chief Financial Officer (CFO) (upto July 09, 2019)
Srinivasa Vajha, Chief Financial Officer (CFO) (appointed w.e.f. October 23, 2019)
Ramshi Mundada Brijgopal, Director
Tabish Siddiqui, Company Secretary
(Upto August 14, 2020)
Akshat Chechani, Company Secretory
(appointed w.e.f. September 10, 2020)

(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	Year ended 31st March 2021	Year ended 31st March 2020
(1) Parties mentioned in 36(A) above		
Sales – Goods :	1,677.96	3,935.34
Expenses :		
Purchases of raw material	37.51	1.55
Purchases of fixed assets	3.43	-
Rent and other service charges	16.56	16.56
Employment cost	75.11	161.77
ICD interest	50.79	87.55

Disclosure of transactions carried out with related parties in the ordinary course of business:-

(Rs. in Lakhs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Corporate Facility Charges	439.18	656.16
Other reimbursements		
Electricity	2.10	5.55
Legal and professional charges	-	51.92
Travel & Guesthouse	0.94	16.24
Security charges	12.03	14.94
Telephone Expenses	0.09	0.15
Other reimbursement expenses	63.72	151.68
Loan or Deposit received or paid		
Inter Corporate Deposit-Received	650.00	8,000.00
Inter Corporate Deposit-Paid	650.00	8,000.00
(2) Parties mentioned in 36(B) above		
Sales – Goods :		
Celebrations Apparel Limited	-	1,639.66
Raymond Apparel Limited	1.31	39.34
Raymond (Europe) Limited	166.10	120.45
Silver Spark Apparel Limited, India	1,159.34	600.93
Dress Master Apparel Private Limited, India	-	6.48
Expenses :		
ICD interest		
JK Files (India) Limited	85.32	-
Other reimbursements		
Raymond Apparel Limited	4.90	-
Loan or Deposit received or paid		
Inter Corporate Deposit-Received		
JK Files (India) Limited	2,000.00	-
(3) Party mentioned in 36(C) (ii) above		
Sales – Goods :	8,371.47	26,269.79
Expenses :		
Land lease	31.03	31.03
(4) Parties mentioned in 36(E) above		
Sales – Goods :	-	25.74
Job Work Income:	-	0.33
Purchases of raw material	-	12.88
Expenses	-	0.96
(5) Individuals mentioned in 36(D) above		
Director Fees		
Narayanan Ramalingam	4.50	3.00
R. A. Prabhudesai	-	2.00
Rashmi Mundada	4.25	3.50
Remuneration		
Bibekananda Pradhan (upto July 9, 2019)	-	14.76

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Disclosure of outstanding balances of related parties as at the year end:

(contd.)
(Rs. in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Parties mentioned in 36(A)above		
Receivable	850.09	1,284.66
Payable	89.50	195.42
Parties mentioned in 36(B) above		
Receivable		
Celebrations Apparel Limited	30.31	131.08
Raymond Apparel Limited	47.78	41.50
Raymond Europe	2.11	4.43
Silver Spark Apparel Limited, India	589.99	1,168.40
Dress Master Apparel Private Limited, India	-	0.51
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. 39)	1,122.24	1,122.24
Allowance for bad and doubtful debts	1,122.24	1,122.24
	-	-
J.K. Investors (Bombay) Limited	2,211.92	6,350.27
Parties mentioned in 36(E) above		
Payable	0.23	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	As at 31st March 2021	As at 31st March 2020
Borrowings bearing variable rate of interest	18,553.72	24,678.21

Interest rate sensitivity

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

(Rs in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
50 bp increase- decrease in profits	(92.77)	(129.42)
50 bp decrease- Increase in profits	92.77	129.42

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	As at March 31, 2021		As at March 31, 2020	
	Currency	Amount	Currency	Amount
Forward contracts to buy EUR	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 2021	USD	EURO	JPY	CHF	CNY
Trade Receivables	8.15	2.88	-	-	-
Trade Payables	0.60	17.39	-	0.09	-

As at 31st March 2020	USD	EURO	JPY	CHF	CNY
Trade Receivables	6.07	0.84	-	-	-
Trade Payables	0.36	58.53	-	0.01	-

Foreign Currency Risk Sensitivity

A change of 1% in Foreign currency would have following Impact on profit before tax

(Rs in Lakhs)

Particulars	2020-2021		2019-2020	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	5.52	(5.52)	4.31	(4.31)
EURO	(12.45)	12.45	(47.75)	47.75
Others	(0.07)	0.07	(0.01)	0.01
Increase / (decrease) in profit or loss	**(6.99)**	**6.99**	**(43.45)**	**43.45**

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	As at 31st March 2021	As at 31st March 2020
Not due	6,286.32	7,759.74
0-3 months	1,546.21	5,824.27
3-6 months	238.41	392.50
6 months to 12 months	84.71	84.78
beyond 12 months	138.72	36.33
Total	**8,294.36**	**14,097.62**

Movement in provisions of doubtful debts	As at 31st March 2020	As at 31st March 2019
Opening provision	1,122.24	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**	**1,122.24**

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 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**

Particulars	As at 31st March 2020			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	4,829.14	9,473.28	-	14,302.42
Short term borrowings	10,375.79	-	-	10,375.79
Expected Interest payable	1,243.59	1,362.43	-	2,606.02
Total	**16,448.52**	**10,835.71**	**-**	**27,284.23**

Maturity patterns of other Financial Liabilities and Trade payables

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	-	9,971.38
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**	**5,150.43**	**249.45**	**790.17**	**311.12**	**11,660.60**

As at 31st March 2020 (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	9,578.27	4,350.16	-	0.59	-	13,929.01
Payable related to Capital Creditors	36.98	-	-	-	-	36.98
Other Financial liabilities (Current and Non Current)	87.96	635.93	342.74	5.76	318.81	1,391.20
Total	**9,703.19**	**4,986.08**	**342.73**	**6.34**	**318.81**	**15,357.19**

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 April 26, 2021. However, due to the restricted functioning of the NCLT on account of the ongoing Covid-19 pandemic, the matter was not taken up on April 26, 2021 and the matter stands adjourned to July 12, 2021.

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 parties amounts to Rs. 11,376.18 lakhs. Further there is no external customer having revenue of more than 10%.

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	20,025.91	50,990.54	1,918.95	2,948.39	21,944.86	53,938.94

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 2020				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		2.17	2.17	-	-	-	-	-	-	-	-	2.17	2.17
Other Financial Assets	54.13	976.05	1,030.18	-	-	-	-	-	-	-	-	1,030.18	1,030.18
Trade receivable	-	14,097.62	14,097.62	-	-	-	-	-	-	-	-	14,097.62	14,097.62
Cash and Cash equivalents	-	12.78	12.78	-	-	-	-	-	-	-	-	12.78	12.78
Bank Balances other than Cash and cash equivalents	-	942.82	942.82	-	-	-	-	-	-	-	-	942.82	942.82
	54.13	**16,031.44**	**16,085.57**	-	-	-	-	-	-	-	-	**16,085.57**	**16,085.57**
Financial Liabilities													
Borrowings	9,473.28	10,375.79	19,849.07	-	-	-	-	-	-	-	-	19,849.07	19,849.07
Other Financial Liabilities	318.82	5,938.51	6,257.32	-		-	-	-	-	-	-	6,257.32	6,257.32
Trade Payables	-	13,929.01	13,929.01	-	-	-	-	-	-	-	-	13,929.01	13,929.01
	9,792.09	**30,243.31**	**40,035.40**	-	-	-	-	-	-	-	-	**40,035.40**	**40,035.40**

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	-	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**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**10,418.00**	**10,418.00**
Financial Liabilities													
Borrowings	7,505.95	9,896.64	17,402.59	-	-	-	-	-	-	-	-	17,402.59	17,402.59
Other Financial Liabilities	311.12	5,979.73	6,290.85	-		-	-	-	-	-	-	6,290.85	6,290.85
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
	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.

Note: 43 Fair Value measurement

Fair Value of Financial Assets and Liabilities measured at amortised cost

Financial Assets and Liabilities	As at March, 31, 2021		As at March, 31, 2020	
	Carrying Amount	Fair value	Carrying Amount	Fair value
Financial Assets				
Loans	0.09	0.09	2.17	2.17
Other Financial Assets	1,114.59	1,114.59	1,030.18	1,030.18
Trade receivable	8,294.36	8,294.36	14,097.62	14,097.62
Cash and Cash equivalents	17.12	17.12	12.78	12.78
Bank Balances other than Cash and cash equivalents	991.84	991.84	942.82	942.82
	10,418.00	**10,418.00**	**16,085.57**	**16,085.57**
Financial Liabilities				
Borrowings	17,402.59	17,402.59	19,849.07	19,849.07
Other Financial Liabilities	6,290.85	6,290.85	6,257.32	6,257.32
Trade Payables	9,975.50	9,975.50	13,929.01	13,929.01
	33,668.94	**33,668.94**	**40,035.40**	**40,035.40**

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.

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 44 - Note on COVID 19 Impact

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 second half of the year, the Company remains watchful of the potential impact of COVID-19 pandemic, particularly the current "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.

Note: 45 - Earnings per Share

	Year ended 31st March 2021	**Year ended 31st March 2020**
Earnings per share		
Profit for the year (Rs in Lakhs)	(3,819.07)	1,412.37
Weighted average number of shares	168,680,000	168,680,000
Earnings per share (Rs. per equity share of Rs. 10 each)		
- Basic	(2.26)	0.84
- Diluted	(2.26)	0.84

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

Sd/-
Lalit R. Mhalsekar

Partner
Membership Number: 103418
Mumbai, May 3, 2021

For and on Behalf of Board of Directors

Sd/-
Harishkumar Chatterjee
Director
DIN: 03560685

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Srinivasa Bharadwaja Vajha
Chief Financial Officer
Mumbai, May 3, 2021

Sd/-
Akshat Chechani
Company Secretory

RING PLUS AQUA LIMITED

ANNUAL REPORT 2020-21

BOARD OF DIRECTORS	:	SHRI RAVIKANT UPPAL, CHAIRMAN SHRI GAUTAM HARI SINGHANIA (resigned on 19.03.2021) SHRI BHUWAN KUMAR CHATURVEDI *(Completed his second term as Independent Director on 19.03.2021 and was appointed as Non-Executive Director on 03.05.2021)* SHRI VIPIN AGARWAL *(resigned on 16.10.2020)* SHRI GANESH KUMAR SUBRAMANIAN *(appointed on 23.10. 2020)* SHRI V. BALASUBRAMANIAN SHRI PARTHIV KILACHAND SHRI SHIV SURINDER KUMAR *(appointed as Independent Director w.e.f 19.06.2021)*
CHIEF FINANCIAL OFFICER	:	SHRI SITESH MAHESHWARI
COMPANY SECRETARY	:	SHRI BHARGAV VYAS *(resigned on 31.12.2020)* MISS RESHMA RAMCHANDANI *(appointed on 19.03.2021)*
STATUTORY AUDITORS	:	M/s. PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
SECRETARIAL AUDITOR	:	M/s. DM & ASSOCIATES, COMPANY SECRETARIES LLP
INTERNAL AUDITORS	:	M/s. MAHAJAN & AIBARA, CHARTERED ACCOUNTANTS LLP
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

Price Waterhouse Chartered Accountants LLP

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, 2021, and the statement of Profit and Loss (including Other Comprehensive Income), 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.

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, 2021, 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.

Emphasis of Matter

4. We draw attention to note 47 to the financial statements, which explains the uncertainties and the management's assessment of the financial impact due to restrictions and other conditions related to the COVID-19 pandemic situation (including second wave), for which a definitive assessment of the impact in the subsequent period is dependent upon circumstances as they evolve. Our opinion is not modified in respect of the matter.

Price Waterhouse Chartered Accountants LLP, Nesco IT Building III, 8th Floor, Nesco IT Park, Nesco Complex Gate No. 3 Western Express Highway, Goregaon East, Mumbai — 400 063

T: +91(22) 61198000, F: +91 (22) 61198799

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Other Information

5. 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

6. 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.

7. 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

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 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.

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 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.

10. 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.

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 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 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.

13. 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 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.

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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, 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 as at March 31, 2021 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, 2021 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, 2021.

    iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.

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: 21112433AAAACC2124

Place: Mumbai
Date: May 3, 2021

Annexure A to Independent Auditors' Report

Referred to in paragraph 13(f) of the Independent Auditors' Report of even date to the members of Ring Plus Aqua Limited on the financial statements for the year ended March 31, 2021.

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, 2021 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 issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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 on Audit of Internal Financial Controls Over Financial Reporting (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.

Price Waterhouse Chartered Accountants LLP, Nesco IT Building III, 8th Floor, Nesco IT Park, Nesco Complex Gate No. 3 Western Express Highway, Goregaon East, Mumbai — 400 063

T: +91(22) 61198000, F: +91 (22) 61198799

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

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 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, 2021, 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 Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-
Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 21112433AAAACC2124

Place: Mumbai
Date: May 3, 2021

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.

(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 immovable properties, as disclosed in Note 3(a) on property, plant and equipment to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. 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 material.

iii. The Company has not granted any loans, secured or unsecured companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

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 by it. 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 from the public 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 generally regular in depositing undisputed statutory dues in respect of employees' state insurance, though there has been slight delay in few cases, and is regular in depositing undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax 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 dues of service-tax, duty of customs, and duty of excise or value added tax or goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income tax and sales tax as at March 31, 2021 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax	14.26	Assessment year 2011-12	Joint Commissioner of Income Tax
The Central Sales Tax Act, 1956	Sales Tax	2.72	Financial Year 1990-00	Assistant Commissioner of Sales Tax Appeals, Pune
The Central Sales Tax Act, 1956	Sales Tax	37.17	Financial Year 2014-15	Joint Commissioner of Sales Tax (Appeals)
The MVAT Act, 2002	Sales Tax	847.41	Financial Year 2015-16	Joint Commissioner of Sales Tax (Appeals)

viii. 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 borrowings to any financial institution or bank or Government. Further, the Company has not issued any debentures and hence, the question of default does not arise.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. 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 by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. 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. Also refer Paragraph 14 of the main audit report.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of 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 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 (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order 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, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-

Arunkumar Ramdas
Partner

Place: Mumbai
Date: May 3, 2021

Membership Number: 112433
UDIN: 21112433AAAACC2124

RING PLUS AQUA LIMITED
Balance Sheet as at March 31, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	March 31, 2021	March 31, 2020
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Property, Plant and Equipment	3(a)	8,035.68	8,884.94
	(b) Right-of-use asset	3(b)	85.54	86.52
	(c) Capital work - in - progress		2.80	5.51
	(d) Other Intangible assets	4	3.88	7.59
	(e) Financial Assets :			
	(i) Investments	5	8.61	8.22
	(ii) Loans	6	20.02	23.05
	(f) Non-Current Tax Assets (Net)		-	363.44
	(g) Other non - current assets	8	154.18	257.65
	Total Non-Current Assets		**8,310.71**	**9,636.92**
2	**Current assets**			
	(a) Inventories	9	4,917.51	3,305.40
	(b) Financial Assets :			
	(i) Current investments	10	1,300.59	1,597.43
	(ii) Trade receivables	11	3,509.91	3,097.74
	(iii) Cash and Bank Balances	12	221.35	402.88
	(iv) Loans	13	5,000.00	1,500.00
	(v) Other current financial assets	14	36.23	60.05
	(c) Other current assets	15	787.55	590.21
	Total Current Assets		**15,773.14**	**10,553.71**
	TOTAL ASSETS		**24,083.85**	**20,190.63**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	16	775.67	775.67
	b) Other Equity	17	14,723.14	12,456.37
	Total Equity		**15,498.81**	**13,232.04**
2	**Non-current liabilities**			
	(a) Financial Liabilities			
	- Borrowings	18	9.69	35.53
	(b) Non-Current Tax Liability (Net)		36.79	-
	(c) Deferred tax liabilities (Net)	7	331.77	504.39
	Total Non Current Liabilities		**378.25**	**539.92**
3	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	19	1,050.22	1,201.86
	(ii)Trade Payables	20		
	(I) Total outstanding dues of micro and small enterprises		-	-
	(II) Total outstanding dues other than (ii)(I)		5,366.69	3,747.66
	(iii)Other Financial Liabilities	21	646.52	550.35
	(b) Other current liabilities	22	618.15	537.24
	(c) Provisions	23	525.21	381.56
	Total Current Liabilities		**8,206.79**	**6,418.67**
	Total Liabilities		**8,585.04**	**6,958.59**
	TOTAL EQUITY AND LIABILITIES		**24,083.85**	**20,190.63**
	The accompanying notes are an integral part of these financial statements	1 to 48		

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
Executive Director
DIN : 05222476

Sd/-
Ganeshkumar Subramanian
Director
DIN : 00088163

Place : Mumbai
Date : May 03, 2021

Sd/-
Sitesh Maheshwari
Chief Financial Officer

Sd/-
Reshma Ramchandani
Company Secretary

RING PLUS AQUA LIMITED
Statement of Profit and Loss for the year ended March 31, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	For the Year ended March 31, 2021	For the Year ended March 31, 2020
I	**Income**			
	Revenue from Operations	24	19,731.59	20,822.85
	Other Income	25	637.82	251.35
	Total Income		**20,369.41**	**21,074.20**
II	**Expenses**			
	Cost of raw materials consumed	26	7,565.57	6,892.27
	Changes in inventories of finished goods and work-in progress	27	(975.70)	646.51
	Employee benefits expense	28	2,558.43	3,022.47
	Finance costs	29	87.61	57.35
	Depreciation and amortization expense	30	1,086.14	1,001.15
	Other Expenses :			
	(a) Manufacturing and Operating Costs	31	5,271.58	5,308.74
	(b) Other expenses	32	1,918.17	1,608.22
	Total expenses		**17,511.80**	**18,536.71**
III	**Profit before tax**		**2,857.61**	**2,537.49**
IV	**Income Tax expense**			
	Current tax	7	768.45	555.87
	Deferred tax		(158.48)	174.80
	Tax in respect of earlier years		(3.99)	8.57
	Total Tax Expense		**605.98**	**739.24**
V	**Profit for the year (III - IV)**		**2,251.63**	**1,798.25**
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of post-employment benefit obligations	43	(56.22)	10.88
	Tax Impact on above	7	(14.15)	3.17
	Other Comprehensive Income		**(42.07)**	**7.71**
VII	**Total Comprehensive Income for the year (V + VI)**		**2,209.56**	**1,805.96**
VIII	Earnings per equity share of Rs. 10 each :			
	Basic (in Rs.)	37	29.03	23.18
	Diluted (in Rs.)		28.62	22.88
	The accompanying notes are an integral part of these financial statements	1 to 48		

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 03, 2021

For and on behalf of Board of Directors

Sd/-
V. Balasubramanian
Executive Director
DIN : 05222476

Sd/-
Ganeshkumar Subramanian
Director
DIN : 00088163

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, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

Particulars	For the Year ended March 31, 2021		For the Year ended March 31, 2020	
A. Cash Flow from Operating Activities				
Profit before tax as per statement of profit and loss		2,857.61		2,537.49
Adjustments for :				
Depreciation and Amortisation Charge	1,086.14		1,001.15	
Provision for Doubtful Debts Deposits	-		8.46	
Remeasurement of Defined Benefit Plan	(56.22)		10.88	
Employee benefit expense (ESOP)	57.21		60.00	
(Profit)/Loss on sale of Property, Plant and Equipment	(9.48)		(1.42)	
Profit on Sale of Current Investments	(64.47)		(42.48)	
Dividend Income	-		(0.04)	
Liability no longer required	(37.29)		(15.58)	
Interest Income	(217.95)		(66.37)	
Finance Cost	87.61		57.35	
Net (Gain)/Loss on Fair Valuation of Investments through profit and loss	(4.93)		(38.54)	
		840.62		973.41
Operating Cash Profit before Working Capital Changes		3,698.23		3,510.90
Add/(Deduct) :				
(Increase)/Decrease in Inventories	(1,612.11)		1,282.22	
(Increase)/Decrease in Trade and Other Receivables	40.39		1,258.07	
Increase/(Decrease) in Trade and Other Payables	1,930.21		(1,610.69)	
Increase/(Decrease) in Provisions	143.65		52.71	
		502.14		982.31
		4,200.37		4,493.21
Less : Taxes Paid (Net)		752.93		507.77
Net Cash Inflow from Operating Activities		**3,447.44**		**3,985.44**
B. Cash Flow from Investing Activities				
Payments for Property, Plant & Equipment & Intangible Assets	(318.54)		(1,342.74)	
Receipts on Sale of Property, Plant & Equipments	103.69		3.55	
Receipt of Loan Given	1,500.00		-	
Receipt of Redemption of Current Investment	6,223.71		1,500.00	
Loan given to Related party	(5,000.00)		(1,500.00)	
Payment for Purchase of Current Investments	(5,907.47)		(2,301.00)	
Dividend Received	-		0.04	
Net Cash Outflow from Investing Activities		**(3,398.61)**		**(3,640.15)**
C. Cash Flow from Financing Activities				
Repayment of Non-current Borrowings	(25.84)		(59.22)	
Proceeds/(Repayment) of Current Borrowings	(166.91)		142.86	
Interest Paid	(87.61)		(57.35)	
Net Cash Outflow / Inflow from Financing Activities		**(280.36)**		**26.29**
Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)		(231.53)		371.58
Add: Balance at the beginning of the financial Year		402.88		31.30
Cash and Cash Equivalents as at the end of the Year		**171.35**		**402.88**

Reconcilation of Cash and Cash Equivalents as per Cash Flow Statement	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Cash and Cash Equivalent as per above comprise of the following		
Cash and Bank Balances	221.35	402.88
Deposits with maturity more than three months	(50.00)	-
Cash and Cash Equivalents	171.35	402.88
The accompanying notes are an integral part of these financial statements	1 to 48	

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

For and on behalf of Board of Directors

Sd/-
V. Balasubramanian
Executive Director
DIN : 05222476

Sd/-
Ganeshkumar Subramanian
Director
DIN : 00088163

Sd/-
Arunkumar Ramdas
Partner
Membership No. 112433

Sd/-
Sitesh Maheshwari
Chief Financial Officer

Sd/-
Reshma Ramchandani
Company Secretary

Place : Mumbai
Date : May 03, 2021

RING PLUS AQUA LIMITED
Statement of Changes in Equity for the year ended March 31, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

A. EQUITY SHARE CAPITAL

Particulars	Note No.	Amount
As at March 31, 2019		775.67
As at March 31, 2020	16	775.67
As at March 31, 2021		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, 2019	17	610.35	993.60	-	8,705.74	280.72	**10,590.41**
Profit for the year					1,798.25		1,798.25
Other Comprehensive Income for the year (Net of tax)		-	-	-	7.71	-	7.71
Employee Stock Option Plan Expenses		-	-	60.00	-	-	60.00
As at March 31, 2020	17	**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 Plan Expenses	17	-	-	57.21	-	-	57.21
As at March 31, 2021		**610.35**	**993.60**	**117.21**	**12,721.26**	**280.72**	**14,723.14**

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 03, 2021

For and on behalf of Board of Directors

Sd/-
V. Balasubramanian
Executive Director
DIN : 05222476

Sd/-
Ganeshkumar Subramanian
Director
DIN : 00088163

Sd/-
Sitesh Maheshwari
Chief Financial Officer

Sd/-
Reshma Ramchandani
Company Secretary

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

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 and non-auto sector. Scissors Engineering Products 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-20 :
• Definition of Material – amendments to Ind AS 1 and Ind AS 8
The amendment listed above did not have any impact on the amount recognised in prior period and are not expected to significantly affect the current or future period.

(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 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.

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 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.

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.

(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

(e) Leases

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.

(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 and bank overdrafts.

(g) Trade receivables

Trade receivables are recognised at the value of sales less provision for impairment.

(h) 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 conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formula used is 'Weighted Average cost'. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company.

(i) 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 subsequently measures all equity investments 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. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) 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) 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. Borrowings are subsequently 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 revenue.

(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.

A contingent asset is disclosed, where an inflow of economic benefits is probable. A contingent asset is not recognised unless the recovery is virtually certain.

(n) Revenue recognition

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.

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

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 the, "Duty Draw back Scheme", "Merchandise Export from India Scheme" etc. is accounted in the year of export.

(o) Employee benefits

(i) 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.

(ii) Post-employment obligations

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 calculated by actuary 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.

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.

(p) 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.

(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.

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.

(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.

(s) Share Based Payments

Expenses relating to Share Based payments such as Equity Share Option Plan (ESOP) are recognised based on Black Schole method and are shown as Shares Option Outstanding Account in Equity and in Employee Benefit Cost under Statement of Profit and Loss in accordance with provisions of IND AS 102. The expenses relating to Share based payments will be subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss and the Shares Option Outstanding Account on yearly basis. The Share Based payments reserve will be transfered to Equity Shares on the allotment of the ESOP and balance may be transfered to General Reserve or Securities Premium accordingly.

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 estimates or judgement are:

- Estimation of Defined benefit obligation (Refer Note 43).
- Estimation of current tax expenses and Payable and Recognition of deferred tax assets for carried forward tax losses (Refer Note 7).

(All amounts are in Rs. lakhs, unless stated otherwise)

3(a) Property, Plant and Equipment

Particulars	Leasehold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total	Capital Work-In-Progress
Gross Carrying Amount :									
As at March 31, 2019	91.08	816.48	6,269.45	56.97	558.28	129.43	74.32	7,996.01	2,808.12
Reclassification as 'Rights of use Assets'	(91.08)	-	-	-	-	-	-	(91.08)	-
Additions	-	1,275.17	2,389.66	12.76	508.36	131.62	49.19	4,366.76	1,630.81
Capitalised								-	4,433.42
Disposals	-	-	0.09	0.09	-	0.90	2.07	3.15	
As at March 31, 2020	**-**	**2,091.65**	**8,659.02**	**69.64**	**1,066.64**	**260.15**	**121.44**	**12,268.54**	**5.51**
Reclassification as 'Rights of use Assets'	-	-	-	-	-	-	-	-	
Additions	-	-	128.17	0.32	185.03	11.99	0.89	326.40	323.69
Capitalised	-		-	-	-	-	-	-	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**	**2.80**
Accumulated Depreciation :									
As at March 31, 2019	3.59	94.08	1,907.08	33.56	273.46	47.19	45.60	2,404.56	-
Reclassification as 'Rights of use Assets'	(3.59)	-	-	-	-	-	-	(3.59)	-
Depreciation charge for the year	-	64.48	749.72	7.12	107.79	33.15	21.38	983.64	-
Disposals	-	-	-	-	-	0.16	0.85	1.01	-
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**	**-**
Net Carrying Amount :									
As at March 31, 2020	**-**	**1,933.09**	**6,002.22**	**28.96**	**685.39**	**179.97**	**55.31**	**8,884.94**	**5.51**
As at March 31, 2021	**-**	**1,864.00**	**5,350.62**	**22.75**	**610.49**	**152.50**	**35.32**	**8,035.68**	**2.80**

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 .

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, 2021	As at March 31, 2020
Lease hold Land	85.54	86.52
Total	**85.54**	**86.52**

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	Note	Year ended March 31,2021	Year ended March 31,2020
Depreciation charge of Right-of-use assets	30	0.98	0.97
Total		**0.98**	**0.97**

Particulars	Note	Year ended March 31,2021	Year ended March 31,2020
Expense relating to short-term leases (included in other expenses)	32	15.56	15.56
Total		**15.56**	**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.

RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

4 Intangible assets

Particulars	Computer Software
Gross Carrying Amount	
As at March 31, 2019	79.88
Additions	10.24
As at March 31, 2020	**90.12**
Additions	-
As at March 31, 2021	**90.12**
Accumulated Amortisation	
As at March 31, 2019	65.99
Amortisation charge for the year	16.54
As at March 31, 2020	**82.53**
Amortisation charge for the year	3.71
As at March 31, 2021	**86.24**
Net Carrying Amount	
As at March 31, 2020	**7.59**
As at March 31, 2021	**3.88**

(All amounts are in Rs. lakhs, unless stated otherwise)

5 Investments

Particulars	March 31, 2021		March 31, 2020	
	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	7.52
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	42.10	4,21,000	42.10
		50.71		50.32
Less : Provision for diminution in the value of investments		(42.10)		(42.10)
Total		**8.61**		**8.22**

Aggregate amount of unquoted investments	50.71	50.32
Aggregate amount of impairment in value of investments	(42.10)	(42.10)

6 Loans :

Particulars	March 31, 2021	March 31, 2020
Security Deposits		
Unsecured-considered Good	20.02	23.05
Total	**20.02**	**23.05**

Break-up of Security details :

Particulars	March 31, 2021	March 31, 2020
Security Deposits considered good - Secured	-	-
Security Deposits considered good - Unsecured	20.02	23.05
Security Deposits which have significant increase in credit risk	-	-
Security Deposits - credit impaired	-	-
Total	20.02	23.05
Less: Allowance for doubtful Security Deposits	-	-
Total Security Deposits	**20.02**	**23.05**

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2021
(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, 2021	March 31, 2020
Current tax	768.45	555.87
Deferred tax	(158.48)	174.80
Tax in respect of Earlier years		
- Current Tax	-	(60.05)
- Deferred Tax	(3.99)	68.62
Total income tax expense	**605.98**	**739.24**

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, 2021	March 31, 2020
Profit before tax	2,857.61	2,537.49
Tax Expense Recognised in Statement of Profit and Loss	605.98	739.24
Enacted income tax rate in India	25.168%	29.120%
Computed Expected Tax Expense	719.20	738.92
Add :		
Re-assessment of unrecognised deferred tax asset on tax losses	-	(25.21)
Change in tax rate	(68.45)	-
Tax in respect of Earlier years	(3.99)	8.57
Other Items	(40.78)	16.96
Total income tax expense/(credit)	**605.98**	**739.24**

Consequent to reconciliation items shown above, the effective tax rate is 21.20% (2019-20: 29.13%)

Movement in Deferred tax (assets)/liabilities :

Particulars	April 1, 2020	MAT credit utilised during the year	(Credit)/charge in Statement of Profit and Loss	(Credit)/charge in Other Comprehensive Income	March 31, 2021
Deferred tax asset on account of :					
Provision for Employment Benefits	(105.79)	-	(42.19)	(14.15)	(162.13)
Provision for Doubtful Debts & Others Receivables	(130.81)	-	27.04	-	(103.77)
Deferred tax liability on account of:					
Depreciation on Property, Plant & Equipment and Intangible Assets	740.99	-	(143.32)	-	597.67
Deferred Tax Liability/(Asset)	**504.39**	-	**(158.47)**	**(14.15)**	**331.77**

Movement in Deferred tax (assets)/liabilities :

Particulars	April 1, 2019	MAT credit utilised during the year	(Credit)/charge in Statement of Profit and Loss	(Credit)/charge in Other Comprehensive Income	March 31, 2020
Deferred tax asset on account of :					
Provision for Employment Benefits	(93.61)	-	(15.35)	3.17	(105.79)
Provision for Doubtful Debts & Others Receivables	(133.30)	-	2.49	-	(130.81)
Others	(0.31)	-	0.31	-	-
Deferred tax liability on account of:					
Depreciation on Property, Plant & Equipment and Intangible Assets	553.64	-	187.35	-	740.99
Deferred Tax Liability/(Asset) excluding MAT Credit Entitlement	**326.42**	-	**174.80**	**3.17**	**504.39**
MAT Credit Entitlements	(68.62)	68.62		-	-
Deferred Tax Liability/(Asset) including MAT Credit Entitlement	**257.80**	**68.62**	**174.80**	**3.17**	**504.39**

Unrecognised carry forward tax losses:
The Company has accumulated capital loss of Rs. 1,302.63 Lakhs (Previous year Rs. 1,403.14 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.

8 Other non - current assets

Particulars	March 31, 2021	March 31, 2020
Capital advances	100.48	161.91
VAT Receivable :		
- Considered Good	53.70	95.74
- Considered Doubtful	52.51	52.51
Less: Loss allowance	(52.51)	(52.51)
Total	**154.18**	**257.65**

9 Inventories
(Cost or Net Realisable value, whichever is lower)

Particulars	March 31, 2021	March 31, 2020
Raw Materials	1,385.35	809.70
Work-in-progress	571.71	336.75
Finished goods	2,685.93	1,945.19
Stores and Spares	274.52	213.76
Total	**4,917.51**	**3,305.40**

Notes :

a) Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Write-back of inventories amounted to Rs. 122.70 lakhs for the year ended 31st March, 2021 (write-down Rs. 45.54 lakhs for the year ended 31st March,2020). These write-downs/write back were recognised as expenses /income 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 statement of Profit and Loss.

b) For information of Inventories offered as security, Refer Note 38.

(All amounts are in Rs. lakhs, unless stated otherwise)

10 Current Investments

Particulars	March 31, 2021	March 31, 2020
Investment in Mutual Fund :		
Unquoted at Fair value through Profit and Loss		
UTI-Money Market Fund - Institutional Plan - Direct Growth Plan (Units 54,300.35 (Previous Year 61.574.361)	1,300.59	1,396.36
UTI-Overnight Fund - Direct Growth Plan (Units	-	201.07
Total	**1,300.59**	**1,597.43**

11 Trade receivables

Particulars	March 31, 2021	March 31, 2020
Unsecured, unless stated otherwise		
Other parties	3,780.06	3,376.50
Less: Loss Allowance	(270.15)	(278.76)
Total	**3,509.91**	**3,097.74**

Break-up of Security details :

Particulars	March 31, 2021	March 31, 2020
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	3,780.06	3,376.50
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	3,780.06	3,376.50
Less: Loss Allowance	(270.15)	(278.76)
Total trade receivables	**3,509.91**	**3,097.74**

(a) For information about Credit Risk and Market Risk, Refer Note 34.
(b) For information of Trade receivables offered as security, Refer Note 38.

12 Cash and Bank Balances

Particulars	March 31, 2021	March 31, 2020
Cash and Cash Equivalents		
Cash on hand	2.03	2.50
Balances with Banks - In current accounts	54.32	9.08
Balances with Banks - Debit balance In Cash Credit accounts	115.00	391.30
Other Bank Balances		
Deposits with maturity more than three months	50.00	-
Total	**221.35**	**402.88**

13 Loans

Particulars	March 31, 2021	March 31, 2020
Unsecured, unless stated otherwise		
Loans to related party (Refer Note 42)	5,000.00	1,500.00
Total	**5,000.00**	**1,500.00**

Break-up of Security details :

Particulars	March 31, 2021	March 31, 2020
Loans considered good - Secured	-	-
Loans considered good - Unsecured	5,000.00	1,500.00
Loans which have significant increase in credit risk		
Loans credit impaired	-	-
Total	5,000.00	1,500.00
Less: Allowance for doubtful loans	-	-
Total Loans	**5,000.00**	**1,500.00**

Disclosure as per section 186(4) of the

Particulars	Rate of Interest	Due Date	As At March 2020	Loan Given	Loan Repaid	As At March 2021
Raymond Apparel Ltd	8.00%	March 08, 2022	-	5,000.00	-	5,000.00

The loan has been utilised for meeting their working capital requirement

14 Other current financial assets

Particulars	March 31, 2021	March 31, 2020
Interest Receivables		
- from Related Party (Refer Note 42)	-	59.73
- from Bank Deposits	1.05	-
Derivative financial Instruments (Refer Note 34)	35.18	0.32
Total	**36.23**	**60.05**

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

15 Other current assets

Particulars	March 31, 2021	March 31, 2020
Export benefit receivables		
- Considered Good	257.59	383.30
Deposit with Government Authorities	45.10	5.70
GST, VAT etc. receivables		
- Considered Good	405.84	104.40
- Considered doubtful	75.88	75.88
Less : Loss Allowance	(75.88)	(75.88)
Advances to Suppliers	34.11	33.06
Prepaid expenses	43.68	58.13
Advances recoverable in cash or kind	1.23	5.62
Total	**787.55**	**590.21**

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

16 Equity Share capital

a)

Particulars	**March 31, 2021**	**March 31, 2020**
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, 2021**		**March 31, 2020**	
	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, 2021**	**March 31, 2020**
69,08,602 (Previous year 69,08,602) Equity shares of Rs.10/- each held by Scissors Engineering Products Ltd.	690.86	690.86

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

Particulars	**March 31, 2021**	**March 31, 2020**
69,08,602 shares (Previous year 69,08,602 shares) held by Holding Company (Scissors Engineering Products Limited)		
% of holding	89.07%	89.07%
4,96,165 shares (Previous year 4,96,165) held by J K Investors (Bombay) Limited		
% of holding	6.40%	6.40%

f) During preceeding five years, no share was issued by the Company for consideration being other than cash.

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

17 Other Equity

Particulars	Capital Reserve on Amalgamation	Securities Premium	Share Options outstanding Account	Retained Earnings	General Reserves	Total
As at March 31, 2019	**610.35**	**993.60**	-	**8,705.74**	**280.72**	**10,590.41**
Profit for the year	-	-	-	1,798.25	-	1,798.25
Other Comprehensive Income for the year (Net of tax)	-	-	-	7.71	-	7.71
Employee Stock Option Expenses	-	-	60.00	-	-	60.00
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 Plan Expenses	-	-	57.21	-	-	57.21
As at March 31, 2021	**610.35**	**993.60**	**117.21**	**12,721.26**	**280.72**	**14,723.14**

Nature and Purpose of Reserves :

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 46).

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

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

18 Non-Current Borrowings

Particulars	March 31, 2021	March 31, 2020
Unsecured		
Interest free Deferred Sales tax payment liabilities	9.69	35.53
Total	**9.69**	**35.53**

Notes :

1) For information about Liquidity risk and Market risk. Refer Note 34.
2) Instalment of loans falling due within twelve months aggregating Rs. 25.84 lakhs (Rs. 41.11 Lakhs as at March 2020) have been grouped under Current Maturities of Long Term Debt, Refer Note 21.
3) For information about Net Debt reconciliation refer Note 44.

19 Current Borrowings

Particulars	Maturity Date	Terms of Repayment	Interest Rate	March 31, 2021	March 31, 2020
Secured					
- Cash Credit	Payable on Demand	Payable on Demand	9.15%	49.81	201.27
- Indian Rupee Packing credit (Including Interest Accrued Rs. 41,300/-(Previous Year Rs. 59,400/-))	Various Repayments at the end of term	90 Days	5.15%	1,000.41	1,000.59
Total				**1,050.22**	**1,201.86**

(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.

20 Trade payables

Particulars	March 31, 2021	March 31, 2020
Trade payables : Micro and Small Enterprises	-	-
Trade payables : Others	5,365.85	3,747.58
Trade payable to related parties (Refer Note 42)	0.84	0.08
Total	**5,366.69**	**3,747.66**

(a) For information about MSME disclosure Refer Note 36.
(b) For information about Liquidity Risk and Market Risk Refer Note 34.

21 Other Current financial liabilities

Particulars	March 31, 2021	March 31, 2020
Current maturities of long-term debt (Refer Note 18)	25.84	41.11
Derivative financial instruments (Refer Note 34)	6.91	72.78
Other Deposits	12.35	15.01
Salary and Wages payable	577.22	340.96
Creditors for Capital Goods	24.20	80.49
Total	**646.52**	**550.35**

22 Other Current liabilities

Particulars	March 31, 2021	March 31, 2020
Contract Liabilities	402.21	243.32
Statutory Dues	49.59	51.21
Other Payables	166.35	242.71
Total	**618.15**	**537.24**

23 Provisions

Particulars	March 31, 2021	March 31, 2020
Provision for employee benefits (Refer Note 43)		
a) Provision for Gratuity	387.31	272.35
b) Provision for Compensated Absences	137.90	109.21
Total	**525.21**	**381.56**

(All amounts are in Rs. lakhs, unless stated otherwise)

24 Revenue from Operations

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Revenue from contracts with customer (Sale of Products)		
- Manufactured Goods - Domestic	6,616.82	6,844.96
- Manufactured Goods - Export	11,567.05	12,567.97
Total (A)	18,183.87	19,412.93
Other operating revenue		
(i) Export Incentives	371.81	503.67
(ii) Process waste sale	1,078.38	883.95
(iii) Others	97.53	22.30
Total (B)	1,547.72	1,409.92
Total (A+B)	**19,731.59**	**20,822.85**

25 Other income

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Dividend income - Trade Investment	-	0.04
Interest income		
- Income Tax Refund	41.90	-
- Related party (Refer note 42)	95.44	66.37
- Others	80.61	2.71
Net Gain/(Loss) on :		
(i) Variation in Foreign Exchange Rates	207.89	(91.26)
(ii) Sale/Discard of Property, Plant and Equipment	(9.48)	1.42
(iii) Sale of Investments through profit and loss	64.47	42.48
(iv) Fair Valuation of Investments through profit and loss	4.93	38.54
Liabilities no longer required	37.29	15.58
Compensation from Job worker	101.64	140.04
Miscellaneous Income	13.13	35.43
Total	**637.82**	**251.35**

26 Cost of raw materials consumed

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Opening Stock	809.70	1,237.91
Purchases	8,141.22	6,464.06
	8,950.92	7,701.97
Less : Closing Stock	(1,385.35)	(809.70)
Total	**7,565.57**	**6,892.27**

(All amounts are in Rs. lakhs, unless stated otherwise)

27 Changes in inventories of finished goods and work-in-progress

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Opening inventories		
Finished goods	1,945.19	2,449.16
Work-in-progress	336.75	479.29
	2,281.94	**2,928.45**
Closing inventories		
Finished goods	2,685.93	1,945.19
Work-in-progress	571.71	336.75
	3,257.64	**2,281.94**
Total	**(975.70)**	**646.51**

28 Employee benefits expense

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Salaries, wages, bonus etc.	2,240.00	2,633.33
Contribution to Gratuity Fund (Refer note 43)	58.74	56.24
Contribution to provident funds and other funds (Refer Note 43)	126.41	142.97
Employee Stock Option Plan Expenses (Refer Note 46)	57.21	60.00
Workmen and Staff welfare expenses	76.07	129.93
Total	**2,558.43**	**3,022.47**

29 Finance costs

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest expense on Term Loans	3.35	-
Interest expense on short term borrowings	84.26	57.35
Total	**87.61**	**57.35**

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

30 Depreciation and amortization expense

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Depreciation on Property, Plant and Equipment	1,081.45	983.64
Depreciation of right of use assets (Refer Note 3(b))	0.98	0.97
Amortization on Intangible assets	3.71	16.54
Total	**1,086.14**	**1,001.15**

31 Manufacturing and Operating Costs

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Consumption of stores and spare parts	1,650.59	1,773.78
Power and fuel	1,209.22	1,256.66
Job work charges	1,079.26	1,027.34
Labour Contractor Charges	1,074.70	958.24
Repairs to machinery	68.09	92.79
Repairs to building	52.54	37.78
Other Manufacturing and Operating expenses	137.18	162.15
Total	**5,271.58**	**5,308.74**

32 Other expenses

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Rent	15.56	15.56
Insurance	76.91	81.56
Rates and Taxes	3.67	3.79
Commission to selling agents	14.80	9.26
Freight, Octroi etc.	1,212.56	792.06
Legal and Professional Expenses*	96.05	117.38
Travelling & Conveyance	48.17	113.99
Bad Debts written off	8.61	-
Less : Provision thereagainst	(8.61)	-
Provision for Doubtful Receivables	-	8.46
Deposits/Advances Written off	4.60	-
Information Technology Outsourcing Cost	24.86	33.19
Security Expenses	91.63	92.85
Director's sitting Fees	8.00	13.50
Expenditure towards Corporate Social Responsibility (Refer Note 33)	74.00	64.00
Miscellaneous Expenses	247.36	262.62
Total	**1,918.17**	**1,608.22**

*** Includes Auditors' remuneration and expenses (net of credit for taxes) :**

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
- Audit Fees	8.15	10.75
- Limited Review Fees	2.25	2.25
- Certification Fees	0.60	0.60
- Reimbursement of out of pocket expenses	0.38	0.52
Total	**11.38**	**14.12**

33 Corporate Social Responsibility expenditure:

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Amount required to be spent by the Company during the year	74.00	64.00
Amount spent during the year :		
(i) Construction/Acquisition of an asset	-	-
(ii) On purpose other than (i) above	74.00	64.00

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

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. 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 manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends 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.

i. 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 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, 2021	March 31, 2020
Borrowings bearing variable rate of interest	1,050.22	1,201.86

Interest rate sensitivity

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

Particulars	March 31, 2021	March 31, 2020
50 bp increase in interest rate - decrease in profits	(5.63)	(5.65)
50 bp decrease in interest rate - Increase in profits	5.63	5.65

ii. Market Risk- Foreign currency risk.

A significant portion of the sale is transacted in several currencies and consequently the Company is exposed to foreign exchange risk. The Foreign currency exchange rate exposure is balanced by forward contracts.

Derivative instruments hedged and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date (Foreign currency In lakhs)

Particulars	Currency	March 31, 2021	March 31, 2020
Forward contracts to sell USD	USD	33.17	28.70
Forward contracts to sell EURO	EURO	17.50	28.91

All the derivative instruments have been acquired for hedging purposes.

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

As at March 31, 2021 (Foreign currency In lakhs)

Particulars	CHF	USD	EURO	GBP	REAIS	RINGGIT
Trade Receivable	-	9.00	9.41	0.20	-	-
Covered by forward contracts	-	9.00	9.41	-	-	-
Unhedged Exposures	-	-	-	0.20	-	-
Trade Payable	*	1.56	-	-	-	-
Covered by forward contracts	-	-	-	-	-	-
Unhedged Exposures	*	1.56	-	-	-	-
Cash and Bank balances	-	*	*	*	*	*

As at March 31, 2020

Particulars	CHF	USD	EURO	GBP	REAIS	RINGGIT
Trade Receivable	-	7.22	9.45	0.33	-	-
Covered by forward contracts	-	7.22	9.45	-	-	-
Unhedged Exposures	-	-	-	0.33	-	-
Trade Payable	*	0.04	-	-	-	-
Covered by forward contracts	-	-	-	-	-	-
Unhedged Exposures	*	0.04	-	-	-	-
Cash and Bank balances	-	*	*	*	*	*

*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 1% in Unhedged Foreign currency would have following Impact on profit before tax

Particulars	2020-21		2019-20	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	(1.14)	1.14	(0.03)	0.03
GBP	0.20	(0.20)	0.31	(0.31)
Increase / (decrease) in profit or loss	(0.94)	0.94	0.28	(0.28)

*Amount is below the rounding off norms adopted by the Company.

iii. 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 assesses 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. 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.

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 except for credit losses in forging business which has been discontinued, hence no additional provision considered.

Ageing of Account receivables

Particulars	March 31, 2021	March 31, 2020
Not due	3,328.95	2,580.92
0-3 months	180.96	512.31
3-6 months	-	4.51
beyond 12 months	-	278.76
Total	3,509.91	3,376.50

Movement in provisions of doubtful debts

Particulars	March 31, 2021	March 31, 2020
Opening provision	278.76	278.76
Less:- Provision utilised against bad debts	(8.61)	-
Closing provisions	270.15	278.76

Movement in provisions of doubtful receivables

Particulars	March 31, 2021	March 31, 2020
Opening provision	75.88	67.43
Add:- Additional provision made	-	8.45
Closing provisions	75.88	75.88

(All amounts are in Rs. lakhs, unless stated otherwise)

iv. 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, 2021	March 31, 2020
Variable Borrowing - Cash Credit expires within 1 year	1,319.78	1,168.14

Maturity patterns of borrowings

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	1,050.22	-	-	1,050.22
Expected Interest payable	56.30	-	-	56.30
Total	**1,132.36**	**9.69**	**-**	**1,142.05**

Particulars	As at March 31, 2020			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	41.11	35.53	-	76.64
Short term borrowings	1,201.86	-	-	1,201.86
Expected Interest payable	56.52	-	-	56.52
Total	**1,299.49**	**35.53**	**-**	**1,335.02**

Maturity patterns of Other Financial Liabilities

As at March 31, 2021	0-3 months	3-6 months	6-12 months	beyond 12 months	Total
Trade Payables	5,366.69	-	-	-	5,366.69
Payables related to Capital goods	24.20	-	-	-	24.20
Other Financial liability (Current)	596.47	-	-	-	596.47
Total	**5,987.36**	**-**	**-**	**-**	**5,987.36**

As at March 31, 2020	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payables	3,747.66		-	-	3,747.66
Payables related to Capital goods	80.49	-	-	-	80.49
Other Financial liability (Current)	428.75	-	-	-	428.75
Total	**4,256.90**	**-**	**-**	**-**	**4,256.90**

(All amounts are in Rs. lakhs, unless stated otherwise)

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 bank balances divided by total equity

The management monitors the return on capital.

The gearing ratios were as follows:

Particulars	March 31, 2021	March 31, 2020
Net Debt*	(436.19)	(721.81)
Equity	15,498.81	13,232.04
Gearing Ratio	(2.81)	(5.45)

* Net Debt is derived by netting Total Borrowings by Current Investments and Cash & Bank Balances.

Negative amounts represent excess of cash and bank balances over borrowings.

36 The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 are as follows.

	March 31, 2021	March 31, 2020
	Current	Current
(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, 2021	March 31, 2020
Earnings Per Share has been computed as under :		
Profit for the year for computing Earnings Per Share	2,251.63	1,798.25
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)	1,11,947	1,04,279
Weighted average number of equity shares outstanding – For Diluted EPS (Face Value – Rs.10 per share)	78,68,618	78,60,950
Basic Earnings Per Share	29.03	23.18
Diluted Earnings Per Share	28.62	22.88

38 Assets Pledged as security

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

Particulars	March 31, 2021	March 31, 2020
Current Assets		
Trade receivables	3,509.91	3,097.74
Inventories	4,917.51	3,305.40
Total	**8,427.42**	**6,403.14**
Non Current Assets		
Furniture, fittings and equipment	22.75	28.96
Plant and Machinary	5,350.62	6,002.22
Others	798.32	920.67
Total	**6,171.69**	**6,951.85**
Total assets Pledged as security	**14,599.11**	**13,354.99**

39 Contingent liabilities (to the extent not provided for)

Particulars	March 31, 2021	March 31, 2020
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 Capital Commitments

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

Particulars	March 31, 2021	March 31, 2020
Property, plant and equipment	118.01	358.99
Less: Capital advances	100.48	161.91
Net Capital commitments	**17.53**	**197.08**

(All amounts are in Rs. lakhs, unless stated otherwise)

41 <u>Fair Value measurement</u>

<u>Financial Instrument by category 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, security deposits etc. 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.

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				
<u>Financial Assets</u>											
Investment	8.61	1,300.59	1,309.20		1,308.49		1,308.49		0.71	-	1,309.20
Other Financial Assets	20.02	5,036.23	5,056.25	-	35.18	-	35.18	-	5,021.07	-	5,056.25
Trade receivable	-	3,509.91	3,509.91	-	-	-	-	-	3,509.91	-	3,509.91
Cash and Bank Balances	-	221.35	221.35	-	-	-	-	-	221.35	-	221.35
	28.63	**10,068.08**	**10,096.71**	**-**	**1,343.67**	**-**	**1,343.67**	**-**	**8,753.04**	**-**	**10,096.71**
<u>Financial Liabilities</u>											
Borrowings	9.69	1,050.22	1,059.91	-	-	-	-	-	1,059.91	-	1,059.91
Other Financial Liabilities	-	646.52	646.52	-	6.91	-	6.91	-	639.61	-	646.52
Trade Payables	-	5,366.69	5,366.69	-	-	-	-	-	5,366.69	-	5,366.69
	9.69	**7,063.43**	**7,073.12**	**-**	**6.91**	**-**	**6.91**	**-**	**7,066.21**		**7,073.12**

(All amounts are in Rs. lakhs, unless stated otherwise)

Financial Assets and Liabilities as at March 31, 2020

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	8.22	1,597.43	1,605.65		1,604.95		1,604.95		0.70	-	1,605.65
Other Financial Assets	23.05	1,560.05	1,583.10	-	0.32	-	0.32	-	1,582.78	-	1,583.10
Trade receivable	-	3,097.74	3,097.74	-	-	-	-	-	3,097.74	-	3,097.74
Cash and Bank Balances	-	402.88	402.88	-	-	-	-	-	402.88	-	402.88
	31.27	**6,658.10**	**6,689.37**	**-**	**1,605.27**	**-**	**1,605.27**	**-**	**5,084.10**	**-**	**6,689.37**
Financial Liabilities											
Borrowings	35.53	1,201.86	1,237.39	-	-	-	-	-	1,237.39	-	1,237.39
Other Financial Liabilities	-	550.35	550.35	-	72.78	-	72.78	-	477.57	-	550.35
Trade Payables	-	3,747.66	3,747.66	-	-	-	-	-	3,747.66	-	3,747.66
	35.53	**5,499.87**	**5,535.40**	**-**	**72.78**	**-**	**72.78**	**-**	**5,462.62**		**5,535.40**

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/liabilities the difference between the carrying amount and fair value are not expected to be material.

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

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 16)**
- Scissors Engineering Products Limited

II. Entities where control /significant influence by KMP's and their relatives exists and with whom transaction have taken place.

Fellow Subsidiary Companies
- JK Files (India) Limited
- Dress Master Apparel Private Limited
- JK Investors (Bombay) Limited
- Raymond Apparel Limited

iii Key Management Personnel:
- Mr. Gautam Hari Singhania – Non-Executive Director (upto March 19, 2021)
- Mr.Ravikant Uppal - Non-Executive Director (Appointed on April 08,2019)
- Mr. Bhuwan Kumar Chaturvedi – Director (upto March 20, 2021)
- Mr.Parthiv Kilachand - Director (Appointed on March 20,2020)
- Mr. Parvinder Singh Pasricha – Director (upto March 19,2020)
- Mr. Vipin Agarwal – Non-Executive Director (upto October 16, 2020)
- Mr. Ganeshkumar Subramanian (Appointed on October 23, 2020)
- Mr. V. Balasubramanian – Executive Director

iv Trust

Ring Plus Aqua Limited - Employee Gratuity Scheme

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2021
(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	J.K. Files (India) Limited	Raymond Limited	Dress Master Apparel Private Limited	JK Investors (Bombay) Ltd	Raymond Apparel Ltd	Key Management personnel
Purchases						
Goods and Material	6.02 *(7.02)*	- *(1.16)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*
Expenses						
Rent and other service charges	- *(-)*	97.32 *(100.82)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*
Director Sitting Fees	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	2.00 *(3.50)*
Reimbursement of Expenses	1.41 *(4.62)*	31.67 *(65.04)*	- *(-)*	0.16 *(-)*	- *(-)*	- *(-)*
Finance						
Unsecured Loan repayment received	- *(-)*	- *(-)*	1,500.00 *(-)*		- *(-)*	- *(-)*
Unsecured Loan given	- *(-)*	- *(-)*	- *(1,500.00)*	- *(-)*	5,000.00 -	- *(-)*
Interest Income	- *(-)*	- *(-)*	85.58 *(66.37)*	- *(-)*	9.86 -	- *(-)*
Outstanding						
Trade Payable	0.84 *(0.08)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*
Other Payable	0.27 *(-)*	0.24 *(20.69)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*
Interest Receivable	- *(-)*	- *(-)*	- *(59.73)*	- *(-)*	- *(-)*	- *(-)*
Unsecured Loan receivable	- *(-)*	- *(-)*	- *(1,500.00)*	*(-)*	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, 2021	March 31, 2020
Short-term employee benefit	129.05	201.48
Post-employment benefit	6.09	6.27
Total	**135.14**	**207.75**

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, 2021	March 31, 2020
Contribution to Provident Fund	121.61	136.51
Contribution to E.S.I.C.	4.80	6.46
Total Contribution to provident funds and other funds	**126.41**	**142.97**

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, 2021	March 31, 2020
Present value of plan liabilities	954.29	784.62
Fair value of plan assets	566.98	512.27
Plan liability net of plan assets	387.31	272.35

B. Movements in plan assets and plan liabilities

Particulars	Plan Assets	Plan liabilities	Plan liability net of plan assets
As at March 31, 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 March 31, 2021	**566.98**	**954.29**	**387.31**

Particulars	Plan Assets	Plan liabilities	Plan liability net of plan assets
As at March 31, 2019	518.37	745.35	226.98
Current service cost	-	39.14	39.14
Return on plan assets excluding Interest Income	(25.54)	-	25.54
Interest cost	-	56.20	56.20
Interest income	39.09	-	(39.09)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(57.29)	(57.29)
Actuarial (gain)/loss arising from experience adjustments	-	20.87	20.87
Benefit paid from fund	(19.64)	(19.64)	-
As at March 31, 2020	**512.27**	**784.62**	**272.35**

-

C. The liabilities are split between different categories of plan participants as follows:

Particulars	March 31, 2021	March 31, 2020
Active members	490	529
The weighted average duration of the defined benefit plans	9	10
The Company expects to contribute to the funded plans in next 12 months	87.05 lakhs	86.39 lakhs

D. Statement of Profit and Loss

Particulars	March 31, 2021	March 31, 2020
Employee Benefit Expenses:		
Current service cost	40.11	39.13
Interest cost	18.63	17.11
Net impact on the Profit before tax	58.74	56.24
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in interest expense/income	(53.45)	25.54
Actuarial gains/(losses) arising from changes in financial assumptions	28.56	(57.29)
Actuarial gains/(losses) arising from changes in experience	81.11	20.87
Net impact on the Other Comprehensive Income before tax	**56.22**	**(10.88)**

E. Defined benefit plans Assets

Particulars	March 31, 2021	March 31, 2020
Insurer Managed Fund	566.99	512.29

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, 2021	March 31, 2020
Financial Assumptions		
Discount rate	6.44%	6.84%
Salary Escalation Rate	3% to 7.5%	4% to 6%
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 (2006-08) Ultimate table.

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%)	(68.88)	77.97
Salary Escalation Rate (+1%and -1%)	75.81	(68.71)
Employee Turnover (+1%and -1%)	(4.17)	4.66

Previous Year	Increase in assumption	Decrease in assumption
Discount rate: (+1%and -1%)	(58.73)	66.63
Salary Escalation Rate (+1%and -1%)	65.68	(52.38)
Employee Turnover (+1%and -1%)	(1.23)	1.49

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

Year ending 31 March,	March 31, 2021	March 31, 2020
1st Following Year	57.85	39.38
2nd Following Year	52.88	42.04
3rd Following Year	64.06	54.54
4th Following Year	71.33	55.89
5th Following Year	77.24	63.07
Sum of 6 to 10	484.77	408.32

2. Compensated Absences :

The amount of provision of Rs. 137.90 lakhs (March 31, 2020 Rs. 109.21 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, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

44 Net Debt Reconciliation :

Particulars	March 31, 2021	March 31, 2020
Cash and Bank Balances	221.35	402.88
Bank Balances other than cash and cash equivalents	-	-
Current Investment	1,300.59	1,597.43
Current borrowings	(1,050.22)	(1,201.86)
Non-current borrowings (including current maturities and interest accrued)	(35.53)	(76.64)
Net debt	436.19	721.81

Particulars	Other Asset		Liabilities from financing activities		Total
	Cash and Bank Balances	Current Investment	Non-current borrowings (including current maturities and interest accrued)	Current borrowings	
Net debt as at March 31, 2019	**31.30**	**717.90**	**(135.86)**	**(1,059.00)**	**(445.66)**
Net Cashflows	371.58	801.00	59.22	(142.86)	1,088.94
Fair Valuation of Current Investment	-	36.05	-	-	36.05
Gain on Redemption on Current Investment		42.48	-	-	42.48
Interest expenses	-	-	-	(57.35)	(57.35)
Interest paid	-	-	-	57.35	57.35
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)	41.11	151.64	(355.02)
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	-	-	(3.35)	(84.26)	(87.61)
Interest paid	-	-	3.35	84.26	87.61
Net debt as at March 31, 2021	**221.35**	**1,300.59**	**(35.53)**	**(1,050.22)**	**436.19**

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2021
(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 Accounting Standard 108 "Operating Segment".

Entity wide disclosure -Information in respect of geographical area is as under :

	India		America		Asia		Rest of the world		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue from Operations *	8,883.03	9,251.68	3,589.41	3,737.15	413.20	670.06	6,845.95	7,163.96	19,731.59	20,822.85
Carrying cost of segment non-current asset**	8,282.08	9,605.65	-	-	-	-	-	-	8,282.08	9,605.65

* 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 Share Based Payments :

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 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 ESOP 2019, the company has granted 111,947 stock options for fair value of option determined on the date of grant.

Fair Value of options granted :

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 options are granted for no consideration and vest as per vesting period mentioned below.

The model inputs for options granted included :

Date of grant	26-Apr-19
Number of options granted	111947
Exercise price per option	Rs. 10.00
Vesting period	Over a period of 4 years from the date of grant as under : 40% of Options at the end of Year 1 20% of Options at the end of Year 2 20% of Options at the end of Year 3 20% of Options at the end of Year 4
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 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, 2021	March 31, 2020
Salaries and Wages	57.21	60.00

47 The ongoing corona pandemic is profoundly impacting people's health, societies and business operations around the globe. In many countries, including India, there has been severe disruption to regular business operations due to lockdowns, disruptions in transportation, supply chains, travel restrictions, quarantines, social distancing and other emergency measures implemented to control the spread of virus.

The Company is in the business of manufacturing and exporting Ring Gears, Flexplates, Water Pump Bearings, machined components, both for auto and non-auto sector. The 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. The Company has strong contingency plans in place to secure operations and supply chain so that production of its key products can continue Further, there are significant geographic and widespread customer base that will continue to drive growth in mid and long term.

The Company has made detailed assessments of the recoverability and carrying values of its assets comprising property, plant and equipment, inventories, receivables and other current assets as at the balance sheet date and on the basis of evaluation, has concluded that no significant impact on its financial statement as at March 31, 2021. 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.

48 The Company has approved its financial statements in its Board Meeting dated May 03, 2021.

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
Executive Director
DIN : 05222476

Sd/-
Ganeshkumar Subramanian
Director
DIN : 00088163

Sd/-
Sitesh Maheshwari
Chief Financial Officer

Sd/-
Reshma Ramchandani
Company Secretary

Place : Mumbai
Date : May 03, 2021

RAYMOND WOOLLEN OUTERWEAR LIMITED

ANNUAL REPORT 2020-21

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 Sixteenth Annual Report on the business and operations of the Company along with Audited Financial Statements for the year ended March 31, 2021.

1. FINANCIAL HIGHLIGHTS/ OPERATIONAL PERFORMANCE

During the year, the company earned a Loss after tax of Rs. 0.12 Crore as against a Profit of Rs. 0.13 crore in the previous year.

2. DIVIDEND

In order to conserve resources, your Company has not declared any dividend for the FY 2020-21.

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.

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, 2021 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, 2021, 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 Vijay Patil, 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			
		24.06.2020	11.09.2020	07.11.2020	03.02.2021
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, 2021, 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, 2021 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. 2020-21 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, 2021 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 05, 2021	**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, 2021, 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, 2021 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

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.

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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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, 2021

b. The Company has no long term contracts including derivative contracts outstanding as on March 31, 2021

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

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

Sd/-

Lalit R. Mhalsekar
Membership No.103418

UDIN: 21103418AAAADQ4030

Place: Mumbai
Date: May 05, 2021

Annexure A to Independent Auditor's Report – March 31, 2021

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, 2021, we report the following:

i. The company did not have any fixed asset during the year ended March 31, 2021. Accordingly, paragraph 3(i) of the Order is not applicable to the Company.

ii. The company does not hold any inventory. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 and Section 186 of the Act. Accordingly paragraph 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 in accordance with relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. The Central Government of India has not specified the maintenance of cost record 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 on the basis of our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Goods and Service Tax (GST) , Customs Duty, Value Added Tax (VAT), Entry Tax, Income Tax, Wealth Tax, Cess, and other material statutory dues applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Goods and Service Tax (GST), Customs Duty, Value Added Tax, Entry Tax (VAT), Income Tax, Wealth Tax, and Cess were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us , there are no dues of Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Goods and Service Tax (GST), Customs Duty, Value Added Tax (VAT), Entry Tax, Income Tax, Wealth Tax, and Cess which have not been deposited on account of any dispute.

viii As the Company does not have any loans or borrowings from any financial Institutions or banks or the Government, nor has it issued any debenture as at the balance sheet date. Hence paragraph 3(viii) of the Order requiring comment on period and amount is not applicable to the Company.

ix 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, Paragraph 3(ix) of the Order is not applicable to the Company.

x 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.

xi The Company has not paid/provided for managerial remuneration during the year. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.

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 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, Paragraph 3(xiii) of the Order is not applicable to the Company.

xiv According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

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 The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

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

Sd/-

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 21103418AAAADQ4030

Place: Mumbai
Date: May 05, 2021

Annexure B to Independent Auditor's Report – March 31, 2021 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, 2021 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 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, the Company has, in all material respects, 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, 2021, 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: 21103418AAAADQ4030
Place: Mumbai
Date: May 05, 2021

Raymond Woollen Outerwear Limited
Balance Sheet As at 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

	Note	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-current Assets			
a) Financial Assets			
(i) Investment	2	0.20	0.20
(ii) Other Financial Assets	3	-	12.00
b) Asset for Income Tax (Net)	4	1.79	1.12
c) Other Non-current assets	5	0.56	0.10
Total Non-current Assets		**2.55**	**13.42**
Current assets			
a) Financial Assets			
(i) Cash and cash equivalents	6	1.52	2.62
(ii) Other Bank Balances	7	145.98	127.20
b) Other current assets	8	0.41	0.30
Total current assets		**147.91**	**130.12**
Total Assets		**150.46**	**143.54**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	194.00	194.00
Other equity	10	(44.07)	(56.20)
Total equity		**149.93**	**137.80**
Current liabilities			
Financial Liabilities			
(i) Trade Payables	11	0.48	5.69
Other current liabilities	12	0.05	0.05
Total current liabilities		**0.53**	**5.74**
Total equity and liabilities		**150.46**	**143.54**
Statement of Significant Accounting Policies.	1		

The accompanying notes are an integral part of these financial statements. (Note No. 1 - 26)

As per our report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration No: 101720W/ W100355

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number. 103418
Place: Mumbai
Date: May 5, 2021

For and on behalf of
Board of Directors

Sd/-
Ram Bhatnagar
Director
DIN: 02313614
Place: Mumbai
Date: May 5, 2021

Sd/-
Vijay Patil
Director
DIN:07173161

Raymond Woollen Outerwear Limited
Statement Of Profit And Loss For the Year Ended 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended 31st March, 2021	Year ended 31st March, 2020
Other Income	12	12.73	13.82
Total Income		**12.73**	**13.82**
Expenses:			
Other Expenses	13	0.60	0.71
Total Expenses		**0.60**	**0.71**
Profit/(Loss) before tax		**12.13**	**13.11**
Exceptional Items		-	-
Profit/(Loss) before tax		**12.13**	**13.11**
Tax Expense		-	-
Profit/(Loss) for the year		**12.13**	**13.11**
Profit/(Loss) for the period		**12.13**	**13.11**
Other Comprehensive Income for the year		-	-
Total Comprehensive Income for the year		**12.13**	**13.11**
Earnings Per Equity Share of Rs. 10/- each:			
Weighted average number of Equity Shares outstanding during the year	26	19,40,000	19,40,000
- Basic & Diluted earnings per share (Rs.)		**0.63**	**0.68**
Statement of Significant Accounting Policies	1		

The accompanying notes are an integral part of these financial statements. (Note No. 1 - 26)

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration No: 101720W/ W100355

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number. 103418
Place: Mumbai
Date: May 5, 2021

For and on behalf of the Board of Directors

Ram Bhatnagar
Director
DIN: 02313614
Place: Mumbai
Date: May 5, 2021

Sd/-
Vijay Patil
Director
DIN:07173161

Raymond Woollen Outerwear Limited
Cash Flow Statement for the year ended 31st March, 2021

(All amounts in INR Lakhs, unless otherwise stated)

		Note No.	Year ended 31st March, 2021		Year ended 31st March, 2020	
A.	**Cash Flow arising from Operating Activities:**					
	Profit / Loss before tax as per Statement of Profit and loss			12.13		13.11
	Add / (Deduct):					
	Interest Income			(8.43)		(13.82)
	Operating Cash flow before Working Capital Changes			3.70		(0.71)
	Change in Operating Asset and Liabilities					
	(Increase) / Decrease in Inventories					
	(Increase) / Decrease in Trade receivables					
	(Increase) / Decrease in other current asset		(0.10)		(0.10)	
	(Increase) / Decrease in Non-current asset		(0.46)			
	Increase / (Decrease) in Trade payables		(5.21)		0.01	
				(5.77)		(0.09)
	Cash Inflow/(Out flow) from Operations before tax			**(2.07)**		**(0.80)**
	Add/(Less) : Tax refund /(paid)			(0.67)		8.06
	Net Cash Inflow / (Outflow) from Operating Activities (A)			**(2.74)**		**7.26**
B.	**Cash Flow arising from Investing Activities :**					
	Interest Received			9.85		12.68
	Redemption of Deposits with Bank			-		1.25
	Investment of Deposits with Bank			(8.21)		(19.04)
	Net Cash Inflow / (outflow) from Investing Activities (B)			**1.64**		**(5.11)**
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)			(1.10)		2.15
	Cash and Cash Equivalents at beginning of the financial year	6		2.62		0.47
	Cash and Cash Equivalents at the end of financial year	6		**1.52**		**2.62**
	Statement of Significant Accounting Policies	1				

The accompanying notes are an integral part of these financial statements.(Note No. 1 - 26)

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration No: 101720W/ W100355

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number. 103418
Place: Mumbai
Date: May 5, 2021

For and on behalf of the Board of Directors

Sd/-
Ram Bhatnagar
Director
DIN: 02313614
Place: Mumbai
Date: May 5, 2021

Sd/-
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-2019	8	194.00
As at 31 March-2020		194.00
As at 31 March-2021		194.00

Other equity	Notes	**Reserve & Surplus**		**Total other equity**	**Total**
		Capital Reserve	**Retained earning**		
Balance at 31 March 2019	9	49.97	(119.29)	(69.31)	(69.31)
Profit for the year			**13.11**	**13.11**	**13.11**
Balance at 31 March 2020		49.97	(106.17)	(56.20)	(56.20)
Profit for the year			**12.13**	**12.13**	**12.13**
Balance at 31 March 2021		49.97	(94.04)	(44.07)	(44.07)

Statement of Significant Accounting Policies	1	

The accompanying notes are an integral part of these financial statements.(Note No. 1 - 26)

As per our report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration No: 101720W/ W100355

Sd/-

Lalit R. Mhalsekar
Partner
Membership Number. 103418
Place: Mumbai
Date: May 5, 2021

For and on behalf of the Board of Directors

Sd/-

Ram Bhatnagar
Director
DIN: 02313614
Place: Mumbai
Date: May 5, 2021

Sd/-

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 associtès 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

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 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.

(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 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, 2021	As at 31st March, 2020
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, 2021	As at 31st March, 2020
Bank deposit with greater than 12 months maturity	-	12.00
Total	**-**	**12.00**

Note 4 - Asset for Income tax (Net)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance Tax (Net)	1.79	1.12
Total	**1.79**	**1.12**

Note 5 - Other non-current assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance with government authorities	0.46	-
Deposits	0.10	0.10
Total	**0.56**	**0.10**

Note 6 - Cash and Cash Equivalents

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance with Banks		
-In Current Accounts	1.52	2.62
Cash on hand	-	-
Total	**1.52**	**2.62**

Note 7 - Other Bank Balances

Particulars	As at 31st March, 2021	As at 31st March, 2020
Bank deposit with less than 12 months maturity	140.41	120.20
Interest receivable on deposit with banks	5.45	6.08
Interest receivable - others	0.12	0.92
Total	**145.98**	**127.20**

Note 8 - Other Current Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with Govt authorities	0.41	0.30
Total	**0.41**	**0.30**

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, 2021		As at 31st March, 2020	
	Number	Amount	Number	Amount
Authorised				
20,000,000 (March 31, 2020: 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, 2020: 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, 2021		As at 31st March, 2020	
	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**

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, 2021	As at 31st March, 2020
Equity Shares of Re. 10 each held by:		
19,31,000 Shares [31st March, 2020: 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, 2021		As at 31st March, 2020	
	Number of Shares	Percentage	Number 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 2020: 40,000,000)

Raymond Woollen Outerwear Limited

Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

Note 10 - Other Equity

Particulars	As at 31st March, 2021	As at 31st March, 2020
a. Capital Reserves	49.97	49.97
(+) Current Year Transfer		
(-) Written Back in Current Year		
Closing Balance	49.97	49.97
b. Retained earnings		
Balance as at the beginning of year	(106.17)	(119.28)
Add: Total Comprehensive Income for the current year	12.13	13.11
Balance as at the end of year	**(94.04)**	**(106.17)**
Total	**(44.07)**	**(56.20)**

Note 11 - Trade Payables

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Payables	0.48400	5.69
Total	**0.48**	**5.69**

Note 12 - Other Current Liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Statutory Dues	0.05	0.05
Total	**0.05**	**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, 2021	Year ended 31st March, 2020
Interest Income	8.43	13.82
Excess Provision Reversal	4.30	-
Total	**12.73**	**13.82**

Note 14 - Other Expenses

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Legal and Professional Expenses	0.55	0.65
Rates and taxes	-	0.03
Miscellaneous Expenses	0.05	0.03
Total	**0.60**	**0.71**

Note 14 (a) - Details of Payment to Auditors (Included in Legal & Professional Expenses)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Audit Fees	0.50	0.50
Total	**0.50**	**0.50**

(All amounts in INR Lakhs, unless otherwise stated)

15 Contingent Liabilities and Commitments (to the extent not provided for) - Rs. Nil (March 31 2020: Rs.Nil)

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**	
	2020-21	**2019-20**
Sale of products	-	-
Reimbursement of Expenses (net)	-	-

c. Outstanding balances as at year end :

Particulars	**Amount**	
	2020-21	**2019-20**
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-21	**31-Mar-20**
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	9.14	89.15
Potential tax benefit for @ 26% (26%)	2.38	23.18

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.

(All amounts in INR Lakhs, unless otherwise stated)

20 Fair value measurement

Particulars	31st March, 2021			31st March, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets						
Investment						
Unquoted - Government Securities	-	-	0.20	-	-	0.20
Trade receivables	-	-	-	-	-	-
Cash and Cash equivalents	-	-	1.52	-	-	2.62
Other financial assets	-	-	145.98	-	-	127.20
Other Non-Current financial assets	-	-	-	-	-	12.00
Total Financial Asset	**-**	**-**	**147.70**	**-**	**-**	**142.02**
Financial Liabilities						
Trade Payables	-	-	0.48	-	-	5.69
Other Current liabilities	-	-	-	-	-	-
Total Financial Liabilities	**-**	**-**	**0.48**	**-**	**-**	**5.69**

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	5	-	-	1.52	1.52
Other Financial asset					
Deposit with Banks with greater than 12 months maturity	3	-	-	-	-
Deposit with Banks	6	-	-	145.98	145.98
Total Financial Asset		**-**	**-**	**147.70**	**147.70**
Financial Liabilities					
Trade Payables	10	-	-	0.48	0.48
Total Financial Liabilities		**-**	**-**	**0.48**	**0.48**

Asset and liabilities which were measured at amortised cost at 31 March 20	Notes	Level 1	Level 2	Level 3	Total
Financial Asset					
Investment					
Unquoted - Government Securities	2	-	-	0.20	0.20
Cash and Cash equivalents	5	-	-	2.62	2.62
Other Financial asset					
Deposit with Banks with greater than 12 months maturity	3	-	-	12.00	12.00
Deposit with Banks	6	-	-	127.20	127.20
Total Financial Asset		**-**	**-**	**142.02**	**142.02**
Financial Liabilities					
Trade Payables	10	-	-	5.69	5.69
Total Financial Liabilities		**-**	**-**	**5.69**	**5.69**

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.

Raymond Woollen Outerwear Limited
Notes to the Financial Statements

(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 5th May,2021

25 In March 20, the WHO declared COVID-19 to be pandemic. Consequent to this, Government of India declared national lockdown on March 24, 2020, which has impacted business activities of the Company. 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 statements, in determination of the recoverability and carrying values of assets and in relation to other financial statements captions.

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 differ from that considered as at the date of approval of these financials statements. As the situation is unprecedented the lockdown is gradually lifting, the Company is closely monitoring evolving situation to future economic conditions. The company has resumed its business activities on gradual basis in line with guideline issued by the Government Authorities. The Company is adhering to all COVID-19 guidelines for employees and customers.

Raymond Woollen Outerwear Limited
Notes to the Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

26 Earnings per share

Particulars	31st March-2021	31st March-2020
Basic and Diluted Earing Per Share		
Profit attributable to the equity share holders	12.13	13.11
Weighted average number of Equity Shares outstanding during the year	19,40,000	19,40,000
Basic and Diluted Earing Per Share (Rs.)	0.63	0.68

As per our report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration No: 101720W/ W100355

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number. 103418
Place: Mumbai
Date: May 5, 2021

For and on behalf of the Board of Directors

Sd/-
Ram Bhatnagar
Director
DIN: 02313614
Place: Mumbai
Date: May 5, 2021

Sd/-
Vijay Patil
Director
DIN:07173161

SCISSORS ENGINEERING PRODUCTS LIMITED

ANNUAL REPORT 2020-21

BOARD OF DIRECTORS	:	SHRI THOMAS FERNANDES SHRI VIJAY NANA PATIL SHRI SRINIVASAN GANAPATHY
MANAGER	:	SHRI KAMLAKAR TAK
CHIEF FINANCIAL OFFICER	:	SHRI SITESH MAHESHWARI
COMPANY SECRETARY	:	SHRI BHARGAV VYAS (resigned on 31.12.2020)
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 Sixteenth Annual Report together with the Audited Financial Statements for the year ended March 31, 2021.

1. FINANCIAL HIGHLIGHTS / OPERATIONAL PERFORMANCE

The total revenue of the Company for the Financial Year 2020-21 was at Rs. Nil (Previous Year: Nil). During the year under review, your Company has registered a loss of Rs.0.02 crore (Previous Year: 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.

3. DIVIDEND

In view of the loss incurred during the year, your Directors do not recommend any dividend for the Financial Year 2020-21.

4. RESERVES

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

5. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

DOMESTIC

Subsidiary

RING PLUS AQUA LIMITED
The Gross Revenue of Ring Plus Aqua Limited for the year 2020-21 stood at Rs. 203.69 crores (Previous Year: Rs. 210.74 crores). During the year under review, it made profit before tax of Rs. 28.58 crores (Previous Year: Profit Rs. 25.37 crores).

Consolidated Account

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.

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.

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 Authorised Equity Share Capital.

The Paid up Equity Share Capital of your Company has been increased from Rs. 18,10,13,650 to Rs. 18,13,13,650 pursuant to the issuance of 30,000 Rights Shares of Face Value of Rs. 10 per share to Raymond Limited, sole shareholder of the Company, with a view to strengthen the liquidity position and to meet the operating expenses of the Company.

The Company has not issued any equity shares with differential rights, Sweat Equity shares and Employee Stock Options other than mentioned herewith.

Preference Shares
During the year under review, there has been no change in the Authorised 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 Vijay Patil (DIN: 07173161)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 Bhargav Vyas resigned as the Company Secretary of the Company with effect from December 31, 2020. The Board is in process of filling the said vacancy.

During the year, 6 Board Meetings were held viz. June 25, 2020, September 11, 2020, November 09, 2020, February 1, 2021, February 10, 2021, March 15, 2021.

Sr. No.	DATE OF BOARD MEETINGS	Name of Directors		
		Shri Thomas Fernandes	Shri Srinivasan Ganapathy	Shri Vijay Patil
1	**25.06.2020**	✓	✓	✓
2	**11.09.2020**	✓	✓	✓
3	**09.11.2020**	✓	✓	✓
4	**01.02.2021**	✓	✓	✓
5	**10.02.2021**	✓	✓	✓
6	**15.03.2021**	✓	✓	✓

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, 2021 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, 2021, 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, 2021 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

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

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, 2021 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

Sd/-	**Sd/-**
Thomas Fernandes	**Srinivasan Ganapathy**
Director	**Director**
DIN: 00286613	**DIN: 07379783**

Place: Mumbai
Date: May 3, 2021

Price Waterhouse Chartered Accountants LLP

Independent auditor's report

To the Members of Scissors Engineering Products Limited

Report on the audit of the Standalone financial statements

Opinion

1. We have audited the accompanying standalone financial statements of Scissors Engineering Products Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss (including Other Comprehensive Income), 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.

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, 2021, and total comprehensive income (comprising of loss 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 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 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 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 standalone 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, 2016 ("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 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.

    e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.

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: 21112433AAAACD3669

Mumbai
May 3, 2021

Annexure A to Independent Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of Scissors Engineering Products Limited on the standalone financial statements for the year ended March 31, 2021.

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, 2021 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 issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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 on Audit of Internal Financial Controls Over Financial Reporting (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.

Price Waterhouse Chartered Accountants LLP, Nesco IT Building III, 8th Floor, Nesco IT Park, Nesco Complex Gate No. 3 Western Express Highway, Goregaon East, Mumbai — 400 063

T: +91(22) 61198000, F: +91 (22) 61198799

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

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 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, 2021, 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 Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-

Arunkumar Ramdas
Partner

Annexure A to Independent Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of Scissors Engineering Products Limited on the standalone financial statements for the year ended March 31, 2021.

Mumbai	Membership Number: 112433
May 3, 2021	UDIN: 21112433AAAACD3669

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Scissors Engineering Products Limited on the standalone financial statements as of and for the year ended March 31, 2021.

i. The Company did not have any fixed assets at any time during the year. Therefore, the provisions of Clause 3(i) (a), (b) and (c) of the Order are not applicable to the Company.

ii. The Company does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said 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 Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public 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 provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax 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 dues of income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax or goods and service tax which have not been deposited on account of any dispute.

viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

Price Waterhouse Chartered Accountants LLP, Nesco IT Building III, 8th Floor, Nesco IT Park, Nesco Complex Gate No. 3 Western Express Highway, Goregaon East, Mumbai — 400 063

T: +91(22) 61198000, F: +91 (22) 61198799

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Scissors Engineering Products Limited on the standalone financial statements as of and for the year ended March 31, 2021.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. 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 by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. 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. Also refer paragraph 13 of the main audit report.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of 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 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 (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order 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, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 21112433AAAACD3669

Mumbai
May 3, 2021

SCISSORS ENGINEERING PRODUCTS LIMITED
Standalone Balance Sheet as at March 31, 2021
(All amounts are in Rs. Lakhs, unless stated otherwise)

	Particulars	Note	As at March 31, 2021	As at March 31, 2020
I	**ASSETS**			
1	**Non-current Assets**			
	Investment in Subsidiary	2	2,838.08	2,838.08
	Financial Assets			
	Loans	3	1.34	1.34
	Total Non-Current Assets		**2,839.42**	**2,839.42**
2	**Current assets**			
	Financial Assets			
	Cash and cash equivalents	4	3.22	2.16
	Total Current Assets		**3.22**	**2.16**
	TOTAL ASSETS		**2,842.64**	**2,841.58**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	Share Capital	5A	1,813.14	1,810.14
	Other Equity	5B	1,028.73	1,030.45
	Total Equity		**2,841.87**	**2,840.59**
2	**Liabilities**			
	Current liabilities			
	(a) Financial Liabilities			
	Trade Payable	6		
	(i) Total outstanding dues of micro and small enterprises		-	-
	(ii) Total outstandings dues other than (i)		0.73	0.99
	(b) Other current liabilities	7	0.04	-
	Total Current Liabilities		**0.77**	**0.99**
	TOTAL EQUITY AND LIABILITIES		**2,842.64**	**2,841.58**
	The accompanying notes are an integral part of these standalone financial statements	**1 to 19**		

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/-
Thomas Fernandes
Director
DIN:00286613

Place: Mumbai
Date: May 03, 2021

Sitesh Maheshwari
Chief Financial Officer

SCISSORS ENGINEERING PRODUCTS LIMITED
Standalone Statement of Profit and Loss for the year ended March 31, 2021
(All amounts are in Rs. Lakhs, unless stated otherwise)

	Particulars	Note	For the Year ended March 31, 2021	For the Year ended March 31, 2020
I	**Revenue from Operations**		-	-
II	**Total Income**		-	-
III	**Expenses**			
	Other expenses	8	1.72	1.97
	Total expenses		**1.72**	**1.97**
IV	**Loss before tax**		**(1.72)**	**(1.97)**
V	**Tax expense**		-	-
VI	**Loss for the Year (IV + V)**		**(1.72)**	**(1.97)**
VII	**Other Comprehensive Income**		-	-
VIII	**Other Comprehensive Income for the year**		-	-
IX	**Total Comprehensive Income for the year (VI+VIII)**		**(1.72)**	**(1.97)**
X	**Earnings per equity share of Rs. 10 each :**			
	Basic & Diluted	9	(0.01)	(0.01)
	The accompanying notes are an integral part of these standalone financial statements	**1 to 19**		

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/-
Thomas Fernandes
Director
DIN:00286613

Place: Mumbai
Date: May 03, 2021

Sitesh Maheshwari
Chief Financial Officer

SCISSORS ENGINEERING PRODUCTS LIMITED
Standalone Statement of Changes in Equity as at March 31, 2021
(All amounts are in Rs. Lakhs, unless stated otherwise)

A. EQUITY SHARE CAPITAL :

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Balance as at the beginning of the year	5A	1,810.14	1,808.39
Add: Shares issued during the year		3.00	1.75
Balance as at the end of the year		**1,813.14**	**1,810.14**

B. INSTRUMENTS ENTIRELY EQUITY IN NATURE :
9% NON-CUMULATIVE COMPLUSORY CONVERTIBLE PREFERENCE SHARE :

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Balance as at the beginning of the year	5A	-	3.50
Add: Shares issued during the year		-	(3.50)
Balance as at the end of the year		**-**	**-**

C. OTHER EQUITY :

Particulars	Note	Reserves and Surplus		Total
		Securities Premium	Retained Earnings	
Balance as at April 1, 2019	5B	**1,069.23**	**(38.56)**	**1,030.67**
Loss for the year		-	(1.97)	(1.97)
Other Comprehensive Income for the year		-	-	-
Total Comprehensive Income for the year		-	(1.97)	(1.97)
Addition during the year		1.75	-	1.75
Balance as at March 31, 2020		**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**
The accompanying notes are an integral part of these standalone financial statements	**1 to 19**			

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/-
Thomas Fernandes
Director
DIN:00286613

Place: Mumbai
Date: May 03, 2021

Sitesh Maheshwari
Chief Financial Officer

SCISSORS ENGINEERING PRODUCTS LIMITED
Standalone Statement of Cash Flow for the year ended March 31,2021
(All amounts are in Rs. Lakhs, unless stated otherwise)

Particulars	For the Year ended March 31, 2021		For the Year ended March 31, 2020	
A. Cash Flow from Operating Activities				
Loss before tax		(1.72)		(1.97)
Operating Profit Before Working Capital Changes		(1.72)		(1.97)
Adjustment for :				
Increase/(Decrease) in Trade Payables and Liabilities	(0.23)		(0.05)	
		(0.23)		(0.05)
Cash used in Operations		(1.94)		(2.02)
Add / (Deduct): Taxes Paid (Net)		-		-
Net Cash Outflow from Operating Activities		**(1.94)**		**(2.02)**
B. Cash Flow from Investing Activities				
Net Cash Outflow from Investing Activities		-		-
C. Cash Flow from Financing Activities				
Issue of Shares		3.00		-
Net Cash Inflow from Financing Activities		**3.00**		**-**
Net Increase in Cash and Cash Equivalents (A+B+C)		1.06		(2.02)
Add: Cash and Cash Equivalents at the beginning of the financial Year		2.16		4.18
Cash and Cash Equivalents as at the end of the Year		**3.22**		**2.16**

Reconcilation of Cash and Cash Equivalents as per Cash Flow Statement	**For the Year ended March 31, 2021**	**For the Year ended March 31, 2020**
Cash and Cash Equivalent (Refer Note 4)	3.22	2.16
Balance as per Statement of Cash Flows	3.22	2.16
The accompanying notes are an integral part of these standalone financial statements	**1 to 19**	

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 03, 2021

For and on behalf of the Board

Sd/-
Srinivasan Ganapathy
Director
DIN:07379783

Sd/-
Thomas Fernandes
Director
DIN:00286613

Sitesh Maheshwari
Chief Financial Officer

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the Standalone Financial Statements for the year ended March 31, 2021
(All amounts are in Rs. Lakhs, unless stated otherwise)

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

I. Background

Scissors Engineering 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 of 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) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (tweleve months)and other criteria set out in the Schedule III to the Companies Act, 2013.

(iv) Rounding of amounts

All amounts disclossed 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) 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.

(e) Investment in Subsidaries and joint venture

Investments in subsidiaries and joint venture 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.

(f) 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.

A contingent asset is disclosed, where an inflow of economic benefits is probable. A contingent asset is not recognised unless the recovery is virtually certain.

(g) 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 Standalone Financial Statements for the year ended March 31, 2021
(All amounts are in Rs. Lakhs, unless stated otherwise)

2 Investment in Subsidary

Particulars	As at March 31, 2021	As at March 31, 2020
Unquoted		
Equity Instrument at Cost		
Ring Plus Aqua Limited		
69,08,602 (Previous Year 69,08,602) Equity Shares of Rs.10 each fully paid	2,838.08	2,838.08
Total	**2,838.08**	**2,838.08**

3 Loans

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposit - Unsecured	1.34	1.34
Total	**1.34**	**1.34**

Break-up of Security details :

Particulars	As at March 31, 2021	As at March 31, 2020
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 Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on hand	0.01	0.01
Balances with Banks - Current Accounts	3.21	2.15
Total	**3.22**	**2.16**

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the Standalone Financial Statements for the year ended March 31, 2021
(All amounts are in Rs. Lakhs, unless stated otherwise)
5A

a) Share capital

PARTICULARS	As at March 31, 2021	As at March 31, 2020
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: 1,81,01,365) Equity Shares of Rs.10 each	1,813.14	1,810.14
1,83,053 (P.Y: 1,83,053) 9% Non-cumulative Compulsory Convertible Preference Share of Rs. 100 each #	183.05	183.05
Subscribed and fully paid up		
1,81,31,365 (P.Y: 1,81,01,365) Equity Shares of Rs.10 each	1,813.14	1,810.14

\# During the Year Nil (P.Y. 17,500) Equity shares of Face value Rs. 10 each are issued for other than cash consideration on conversion of Nil (P.Y. 3,500), 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs 100/- each.

Rights issue :

During the year, 30,000 (P.Y. Nil) Equity Shares of face value Rs. 10 each were issued on right basis for cash.

b) Reconciliation of number of shares

PARTICULARS	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	1,81,01,365	1,810.14	1,80,83,865	1,808.39
Add: Issue of Rights Share	30,000	3.00	-	-
Add: Conversion of preference shares	-	-	17,500	1.75
Balance as at the end of the year	**1,81,31,365**	**1,813.14**	**1,81,01,365**	**1,810.14**
Preference Shares :				
Balance as at the beginning of the year	-	-	3,500	3.50
Less: Shares Converted to Equity Shares during the year	-	-	(3,500)	(3.50)
Balance as at the end of the year	-	-	-	-

c) Shares held by holding company

PARTICULARS	As at March 31, 2021	As at March 31, 2020
Equity Shares of Rs. 10 held by:		
Raymond Limited and Jointly held with nominees	1,81,31,365	1,81,01,365

(All amounts are in Rs. Lakhs, unless stated otherwise)

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, 2021		As at March 31, 2020	
	% of Holding	Number of shares	% of Holding	Number of shares
Equity Shares :				
Raymond Limited and jointly held with nominees	100.00%	1,81,31,365	100.00%	1,81,01,365

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.

5B Other Equity

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
Balance as at April 1, 2019	**1,069.23**	**(38.56)**	**1,030.67**
Profit for the year	-	(1.97)	(1.97)
Other Comprehensive Income for the year	-	-	-
Total Comprehensive Income for the year	-	(1.97)	(1.97)
Addition during the year	1.75	-	1.75
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**

Nature and Purpose of Reserves :

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.

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the Standalone Financial Statements for the year ended March 31, 2021
(All amounts are in Rs. Lakhs, unless stated otherwise)

6 Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables :		
Micro and Small enterprises	-	-
Amounts payable to related parties	-	-
Others	0.73	0.99
Total	**0.73**	**0.99**

(a) For information about Liquidity Risk and Market Risk refer note 12.
(b) 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.

7 Other current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Dues	0.04	-
Total	**0.04**	**-**

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the Standalone Financial Statements for the year ended March 31, 2021
(All amounts are in Rs. Lakhs, unless stated otherwise)

8 Other expenses

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Legal and Professional Expenses *	1.72	1.97
Total	**1.72**	**1.97**

*** Includes Auditors' remuneration and expenses (including taxes)**

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
- Audit Fees	0.66	0.83
- Limited Review Fees	0.35	0.35
Total	**1.01**	**1.18**

9 Earnings per share

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Loss for the year	(1.72)	(1.97)
Weighted average number of equity shares outstanding (Face value of Rs. 10 per share)	1,81,02,762	1,81,01,365
Earnings Per Share (Rs.) - Basic & Diluted	(0.01)	(0.01)

10 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”.

11 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.

12 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.

13 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.

14 There are no critical estimates involved in the preparation of financial statements.

15 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at March 31, 2021	As at March 31, 2020
Contingent Liabilities	-	-

16 Related parties disclosure as per Ind AS 24

A. Relationship

Related parties where control exists, irrespect of whether transaction has occurred or not:

a. Holding Company : Raymond Limited

b. Subsidiary Company : Ring Plus Aqua Limited, India

B. Transactions carried out during the year with related parties referred in A above:

Particulars	Raymond Limited
Finance :	
Issue of Shares	3.00 *(-)*

(Previous year figures are shown in brackets)

17 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.

18 The Company is in the process of appointing company secretary in accordance with Section 203(4) of the Companies Act, 2013.

19 The Company has approved its financial statements in its Board Meeting dated May 03, 2021.

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

Place: Mumbai
Date: May 03, 2021

For and on behalf of the Board

Srinivasan Ganapathy
Director
DIN:07379783

Thomas Fernandes
Director
DIN:00286613

Sitesh Maheshwari
Chief Financial Officer

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.)

Sr. No.	Particulars	
1	Name of the subsidiary	Ring Plus Aqua Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
3	Reporting currency; and; Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR; N.A.
4	Share capital	7,75,66,710
5	Reserves & surplus	1,47,23,13,744
6	Total assets	2,40,83,84,995
7	Total Liabilities	85,85,03,732
8	Investments	13,09,19,210
9	Turnover	1,97,31,58,540
10	Profit before taxation	28,57,61,050
11	Provision for taxation	6,05,97,910
12	Profit after taxation	22,51,63,140
13	Proposed Dividend	NIL
14	% of shareholding	89.07%

*** 2 ***

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

Name of Associates / Joint Ventures	**Name1**	**Name2**	**Name3**
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	-	-	-
Extend 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 Board of Directors

Sd/-
Srinivasan Ganapathy
Director
DIN: 07379783

Sd/-
Thomas Fernandes
Director
DIN: 00286613

Sd/-
Sitesh Maheshwari
Chief Financial Officer

Place: Mumbai
Date: May 03, 2021

SILVER SPARK APPAREL LIMITED

ANNUAL REPORT 2020-21

BOARD OF DIRECTORS	:	SHRI GAUTAM HARI SINGHANIA (resigned w.e.f. 08.02.2021) SHRI VIPIN AGARWAL (resigned w.e.f. 16.10.2020) SHRI HARISHKUMAR CHATTERJEE (appointed w.e.f. 12.09.2020) SHRI KRISHNAN ASHWATH NARAYAN (appointed w.e.f. 08.02.2021) SMT. RASHMI MUNDADA SHRI RAM BHATNAGAR
COMPANY SECRETARY	:	SHRI AKSHAT CHECHANI (resigned w.e.f. 07.09.2020)
SECRETARIAL AUDITOR	:	MESSRS. ROBERT PAVREY & ASSOCIATES
STATUTORY AUDITORS	:	MESSRS. CHATURVEDI AND SHAH, CHARTERED ACCOUNTANTS
INTERNAL AUDITORS	:	MESSERS. MAHAJAN & AIBARA CHARTERED ACCOUNTANTS LLP
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 First Annual Report on the Business and Operations of the Company and the accounts for the Financial Year ended March 31, 2021.

1. FINANCIAL SUMMARY / PERFORMANCE OF THE COMPANY

The company has reputed overseas clientele and is in the business of manufacture and export of suits, jackets and trousers. The year under review was impacted by COVID-19 and the revenues were lower than previous year. The Gross Revenue of the Company at Standalone level is Rs. 367.37 Crore (Previous Year: Rs. 569.54 Crore). Loss incurred for the period was Rs. 5.91 Crore (Previous Year: Profit Rs. 16.02 Crore). On a Consolidated level, the Gross Revenue of the Company is Rs. 466.66 Crore (Previous Year: Rs. 660.28 Crore). The Loss after tax expenditure was Rs. 14.34 Crore (Previous year Loss of Rs. 11.25 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 2020-21.

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 2021 stood at Rs. 56.45 crore (Previous Year: Rs. 104.18 crore). The company registered a Loss of Rs. 2.68 crore (Previous Year: Rs. 1.29 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 2021 stood at Rs. 67.74 crore (Previous Year: Rs. 35.72 crore). The company registered a Profit of Rs. 3.51 crore (Previous Year: Loss of Rs. 20.01 crore).

R&A Logistics, Inc.

The company recorded a Loss of USD 1,016,786 (equivalent to Rs. 7.64 crore) [Previous Year: Loss of USD 560,900 (equivalent to Rs. 3.96 crore)] for the year ended March 31, 2021.

Dress Master Apparel Private Limited

During the year under review, the Company divested its entire stake in its Wholly Owned Subsidiary Dress Master Apparel Private Limited pursuant to a Share Transfer Agreement executed on December 02, 2020 for a consideration of Rs. 19.07 Crore. Consequently, the Company ceased to be a subsidiary of the Company.

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/W100355) are the statutory auditors of the Company for the year ended March 31, 2021. Their appointment as the statutory auditors continues from the conclusion of the 17th Annual General Meeting of the Company till the conclusion of the 22nd Annual General Meeting.

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 2020-21.

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 M/s Mahajan & Aibara Chartered Accountants 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, 2021 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 September 12, 2020 and February 08, 2021 appointed Shri Harishkumar Chatterjee and Shri K. A. Narayan respectively as Non- Executive Directors to hold office up to the ensuing AGM. Further, Shri Vishal Bist was appointed as a Director w.e.f. May 3, 2021. The Board of Directors has recommended the appointment of Shri Harishkumar Chatterjee, Shri K. A. Narayan and Shri Vishal Bist at the ensuing Annual General Meeting.

Pursuant to Section 149 of the Companies Act, 2013, Smt. Rashmi Mundada continues to be an Independent Woman Director of the Company.

Shri Gautam Hari Singhania resigned as a Director on February 08, 2021 due to other commitments. The Board places on record its appreciation for Shri Singhania for his contribution towards the Company's growth and development. Shri Vipin Agarwal resigned as a Director on October 16, 2020 to pursue other interests and commitments. Shri Ram Bhatnagar ceased to be a Director of the Company effective from May 3, 2021.

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.

The Board Meeting held and Attendance of Directors at the Meetings is given below:

Date of the Meeting	**Name of Director**					
	Gautam Hari Singhania*	Vipin Agarwal#	K. A. Narayan**	Ram Bhatnagar	Rashmi Mundada	Harishkumar Chatterjee##
24.06.2020	✓	✓	NA	✓	✓	NA
12.09.2020	✓	✓	NA	✓	✓	NA
07.11.2020	✓	NA	NA	✓	✓	✓
08.02.2021	✓	NA	✓	✓	✓	✓

*ceased to be a Non-Executive Director of Company with effect from February 08, 2021
#resigned as a Non-Executive Director of Company on October 16, 2020
**appointed as Director w.e.f. February 08, 2021
appointed as Director w.e.f. September 12, 2020

During the year under review, Shri Akshat Chechani resigned as the Company Secretary of the Company with effect from September 07, 2020.

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. 115 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 www.raymond.in.

During the year, a Meeting of CSR Committee was held on March 25, 2021.

The current composition of the Committee is as under:

a. Shri Vishal Bist^ : Non-executive Director
b. Shri Ram Bhatnagar* : Non-executive Director, Chairman
c. Shri Vipin Agarwal$: Non-executive Director, Member
d. Smt. Rashmi Mundada : Independent Director, Member
e. Shri Harishkumar Chatterjee** : Non-executive Director, Member

* ceased to be Director of the Company with effect from May 03, 2021
$ ceased to be Director of the Company with effect from October 16, 2020
* *appointed as member of committee w.e.f. March 12, 2021 and Chairman of the Committee w.e.f. May 3, 2021
^ appointed as member of the committee w.e.f. May 3, 2021

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 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

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. 2020-21 has been placed on 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. 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. 22 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 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 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**
May 03, 2021	**Director**	**Director**
Mumbai	**DIN: 00950589**	**DIN: 03560685**

Annexure A

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[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, 2021("**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, 2021 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**

Sd/-

Place: Mumbai
Dated: May 1, 2021

ROBERT PAVREY
Proprietor
FCS 2928 CP. No. : 1848
UDIN: F002928C000221828

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**

Sd/-

Place: Mumbai
Dated: May 1, 2021

ROBERT PAVREY
Proprietor
FCS 2928 CP. No. : 1848
UDIN: F002928C000221828

Annexure – B

The Annual Report on CSR Activities

1. 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.

2. The composition of the CSR Committee.

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 Harishkumar Chatterjee	Non-Executive Director, Chairman	1	NA
2.	Shri Vishal Bist	Non-Executive Director, Member	1	NA
3.	Smt Rashmi Mundada	Independent Director, Member	1	1

3. 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: www.raymond.in
4. 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): 26.5 Lakh
7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 53 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. 53 Lakh
8. (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
115 Lakh	NIL	NIL	NIL	NIL	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:

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.	Relief activities for citizens affected by COVID-19 Pandemic	Clause(i) Promoting health care including preventive health care	**Yes**	**Maharashtra**	**Thane**	**50 lakh**	**No**	JITO EDUCATIONAL AND MEDICAL TRUST	**NA**
2.	Rehabilitation of Cancer Survivors	Clause(i) Preventive Heath Care, Hygienic and Social Welfare	**Yes**	**Maharashtra**	**Mumbai City**	**12 Lakh**	**No**	Indian Cancer Society	**CSR00000792**
3.	a. Menstrual Hygiene Programme b. In-house Rural Sports Training Centre (SKILLS) c. Psychological Counseling & Life Skill Training	Clause (i) and (ii): Health care and promoting education	**Yes**	**Maharashtra**	**Mumbai City**	**53 Lakh**	**No**	Smt. Sulochanadevi Singhania School Trust ("Singhania 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 (7b+7c+7d+7e): Rs. 115 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)	53 Lakh
ii.	Total amount spent for the Financial Year	115 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.	2019-20	-	Rs. 62 lakh	-	-	-	-

(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

Sd/-
Harishkumar Chatterjee
Chairman – CSR Committee
DIN: 03560685

Sd/-
Shri K. A. Narayan
Director
DIN: 00950589

May 03, 2021
Mumbai

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 & 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

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 FY2020-21, the foreign exchange earnings were Rs. 261.62 (Previous Year: 505.35 Crore). The Foreign Exchange outgo during FY2020-21 was Rs. 105.14 (Previous year: Rs. 191.60 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	31st Dec 2020	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 – (19.9)	Ethiopian Birr (BIRR) BIRR/INR – (1.79)	United States Dollar (USD) USD/INR – (73.11)
5	Share capital	3164.36	8330.88	1227.45
6	Reserves & surplus	187.19	-2683.73	(1953.02)
7	Total assets	6520.32	8920.91	1969.47
8	Total Liabilities	15677.57	3273.76	2695.04
9	Investments	12508.80	-	-
10	Turnover	5644.57	6782.58	8990.15
11	Profit before taxation	-268.28	351.11	(764.38)
12	Provision for taxation	-	-	-
13	Profit after taxation	-268.28	351.11	(764.38)
14	Proposed Dividend	-	-	-
15	% of shareholding	100.00	100.00	100.00

Part "B": Associates and Joint Ventures

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.	-	-	-

Name of Associates/Joint Ventures	Name 1	Name 2	Name 3
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/-
K.A. Narayan
Director
DIN: 00950589

Sd/-
Harishkumar Chatterjee
Director
DIN: 03560685

Mumbai
May 03, 2021

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 standalone Balance Sheet as at March 31, 2021 and the standalone Statement of Profit and Loss, (including Other Comprehensive Income), standalone Statement of changes in equity and standalone 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, 2021 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 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.

Emphasis of Matter

We draw your attention to Note no 45 to the standalone financial statements, which explains the uncertainities and the managements 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 Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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 standalone 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.

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.

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 standalone balance sheet, the standalone statement of profit and loss, and the standalone 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 Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 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, 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 has no long term contracts including derivative contracts outstanding as on March 31, 2021

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

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

Sd/-
Lalit R. Mhalsekar
Membership No.103418

UDIN: 21103418AAAADM4915

Place: Mumbai
Date: May 3, 2021

Annexure A to Independent Auditor's Report – March 31, 2021

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 standalone financial statements for the year ended March 31, 2021, we report the following:

i. (a) The company has maintained proper records showing full particulars, including quantitative details and location of fixed assets.

(b) We are informed that, the fixed assets are physically verified by the Management according to phased program designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the program, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) According to the information and explanations given to us, the title deeds of immovable properties, as disclosed in Note 2A to the standalone Ind AS financial statements, are held in the name of the Company.

ii. The physical verification of inventory has been conducted by the management. In our opinion, the frequency of such verification is reasonable. In respect of Inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of accounts.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly paragraph 3(iii) of the Order is 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 Section 185 and 186 of the Act. Therefore, paragraph 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 in accordance with relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, Paragraph 3(v) of the Order is not applicable to the Company.

vi. The Central Government of India has not specified the maintenance of cost record 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 on the basis of our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Goods and Service Tax (GST), Customs Duty, Value Added Tax (VAT), Entry Tax, Income Tax, Wealth Tax, Cess, and other material statutory dues applicable to the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Goods and Service Tax (GST), Customs Duty, Value Added Tax, Entry Tax (VAT), Income Tax, Wealth Tax, and Cess were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us , there are no dues of Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Goods and Service Tax (GST), Customs Duty, Value Added Tax (VAT), Entry Tax, Income Tax, Wealth Tax, and Cess which have not been deposited on account of dispute. The particulars of dues of Income Tax, Sales tax, duty of excise and value added tax as at March 31, 2021 which have not been deposited on account of dispute are as follows:

Name of Statute	**Nature of Dues**	**Amount (in lakh)**	**Period to which the amount relates**	**Forum where the dispute is pending**
Central Excise Act, 1944	Excise Duty	95.82	2005-2008	Central Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Custom duty	178.74	2014-15	Directorate General of Foreign Trade

viii. 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 borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. 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, Paragraph 3(ix) of the Order is not applicable to the Company.

x. 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 instances of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we informed of any such case by management.

xi. The Company has not paid/provided for managerial remuneration during the year. According, Paragraph 3(xi) of the Order is not applicable to the Company.

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 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 sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the standalone Ind AS 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.

xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

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. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provision of paragraph 3(xvi) of the Order is not applicable to the Company.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm's Registration No.101720W/ W100355

Sd/-
Lalit R. Mhalsekar
Partner
Membership No: 103418

UDIN: 21103418AAAADM4915
Place: Mumbai
Date: May 3, 2021

Annexure A to Independent Auditor's Report – March 31, 2021 on the 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")

1. We have audited the internal financial controls with reference to standalone financial statement of Silver Spark Apparel Limited ('the Company') as of March 31, 2021 in conjunction with our audit of the Ind AS 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 internal financial controls with reference to standalone financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute ofChartered 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 these standalone financial statement was established and maintained and if such controls operated effectively in all material respects.

4. An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statement and their operating effectiveness. Our audit of internal financial controls with reference to these standalone financial statement 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 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 these financial statement .

Meaning of Internal Financial Controls with reference to these standalone financial statement

6. A company's internal financial control over financial reporting with reference to these standalone financial statement 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 these standalone financial statement 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

7. 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 standalone financial statement 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

8. In our opinion, the Company has, in all material respects, 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, 2021, 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's Registration No.101720W/ W100355

Sd/-
Lalit R. Mhalsekar
Partner
Membership No: 103418

UDIN: 21103418AAAADM4915
Place: Mumbai
Date: May 3, 2021

Silver Spark Apparel Limited
Standalone Balance Sheet as at 31st March 2021

(Rs in lakhs)

	Particulars	Note	Audited As at 31st March, 2021	Audited As at 31st March, 2020
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Property, Plant and Equipment	2A	13,271.50	13,992.66
	(b) Capital work - in - progress	2A	49.50	152.18
	(c) Right-of-use Asset	2B	109.12	295.46
	(d) Intangible assets	3	517.68	618.98
	(e) Intangible assets under development	3	-	-
	(f) Non-Current Investments	4	4,442.69	5,495.32
	(g) Financial Assets			
	(ii) Others financial assets	5	549.15	609.41
	(h) Other non-Current Assets	6	17.10	114.65
	(i) Asset for Income tax- Net		427.23	412.24
2	**Current assets**			
	(a) Inventories	7	8,796.93	12,798.71
	(b) Financial Assets			
	(i) Trade Receivables	8	9,544.01	12,711.09
	(ii) Cash and cash equivalents	9	34.29	48.52
	(iii) Bank Balances other than Cash and Cash Equivalents	10	420.53	13.51
	(iv) Loans	11	6,051.96	2,133.33
	(v) Others financial asset	12	203.80	373.25
	(c) Other current assets	13	1,257.70	4,398.10
	TOTAL ASSETS		**45,693.19**	**54,167.41**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Share capital	14A		
	(i) Equity Share Capital		896.43	896.43
	b) Other equity	14B		
	(i) Retained earnings		17,620.04	17,987.84
2	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	15	-	1,087.33
	(ii) Lease liabilities		57.91	249.92
	(b) Deferred Tax Liabilities (Net)	32	722.58	864.72
	(c) Other Non Current Liabilities	16	787.92	897.06
3	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	17	6,577.28	10,948.93
	(ii) Lease Liabilities		60.24	109.96
	(iii) Trade payables	18		
	(A) total outstanding dues of micro and small enterprise		123.12	27.31
	(B) total outstanding dues of creditors other than micro and small enterprise		13,481.49	15,104.97
	(iv) Other financial liabilities	19	4,118.58	3,841.01
	(b) Other current liabilities	20	191.76	963.28
	(c) Short term provisions	21	1,055.84	1,188.65
	(d) Liabilities for Current Tax (Net)		-	-
	TOTAL LIABILITIES		**45,693.19**	**54,167.41**
		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 the Board of Directors

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number : 103418

Sd/-
Harishkumar Chatterjee
Director
DIN: 03560685

Sd/-
Krishnan Narayan
Director
DIN: 00950589

Place: Mumbai
Date: 03rd May 2021

-

Silver Spark Apparel Limited
Standalone Statement of Profit & Loss for the year ended 31st March 2021

(Rs in lakhs)

			Audited	Audited
		Note	**Year ended 31st March, 2021**	**Year ended 31st March, 2020**
I	**Revenue from Operations**	22	36,737.05	56,953.57
	Other Income	23	1,453.42	1,108.24
	Total Income		**38,190.47**	**58,061.81**
II	**Expenses**			
	Cost of materials consumed	24	16,451.58	29,533.43
	Purchase of Stock in Trade	25	1,333.50	3,474.83
	Changes in inventories	26	1,492.90	(743.48)
	Employee benefits expense	27	10,125.83	12,274.92
	Finance costs	28	604.27	655.68
	Depreciation and amortization expense	29	1,448.46	1,085.81
	Other expenses :			
	(a) Manufacturing and Operating Costs	30	1,258.94	3,898.51
	(b) Other expenses	31	6,282.89	6,296.55
	Total expenses		**38,998.37**	**56,476.25**
III	**Profit / (loss) before exceptional items and tax (I-II)**		**(807.90)**	**1,585.56**
IV	**Tax expense**	32		
	Current tax		-	32.13
	Deferred tax charge/(credit)		(217.14)	(48.82)
	Utilization of deferred tax against loss		-	-
V	**Profit/(Loss) for the period (III-IV)**		**(590.76)**	**1,602.25**
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	(i) Remeasurements of net defined benefit plans	37	297.96	6.94
	(ii) Income tax charge / (credit) of above		(75.00)	(1.75)
	Other Comprehensive Income for the period (i-ii)		222.96	5.19
VII	**Total Comprehensive Income for the period (V+VI)**		**(367.80)**	**1,607.44**
VIII	**Earnings per equity share of Rs. 10 each :**			
	Basic	47	(6.59)	19.58
	Diluted		(6.59)	19.58
	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

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number : 103418

Place: Mumbai
Date:03rd May 2021

For and on behalf of the Board of Directors

Sd/-
Harishkumar Chatterjee
Director
DIN: 03560685

Sd/-
Krishnan Narayan
Director
DIN: 00950589

Silver Spark Apparel Limited

Statement of Cashflow for the year ended 31st March 2021 (Rs in lakhs)

	Year ended 31st March, 2021		Year ended 31st March, 2020	
A) Cash flow from Operating Activities				
Net Profit before tax as per Statement of Profit and Loss.		**(807.90)**		**1585.56**
Add/(Less):				
(Profit)/Loss on sale of Investment	(724.82)		-	
(Profit)/Loss on sale of Fixed assets	98.03		-	
Interest Income	(364.13)		(380.43)	
Provision for doubtful debts	55.52		-	
Provision of Export Benefits receivable(MEIS)	-		217.28	
Write off of Export Benefits receivable	1,571.92		-	
Provision for Duty Drawback receivable	-		63.47	
Provision for Interest subsidy receivable	92.24		-	
Provision for Export Benefits receivable	142.92		-	
Provision for Service Tax Receivable	-		22.05	
Credit balance written back	(203.85)		-	
Other Comprehensive Income	297.96		6.94	
Expenses for Increase in Authorised Capital	-		-	
Depreciation and amortisation	1,377.33		975.66	
Finance Costs	604.27		655.68	
Gain Loss on Termination / Modification of Lease	(60.52)			
Net Fair Value (Gain) /Loss (on account of fair valuation of deposits)	(0.43)		(0.00)	
Financial guarantee income	(32.24)		(32.24)	
Government grant amortised	(67.36)	2,786.84	(59.52)	1,468.89
Operating Cash Profit Before Working Capital changes		**1,978.94**		**3,054.45**
Changes in working capital				
(Increase) / Decrease in Inventories	4,001.78		(808.67)	
(Increase) / Decrease in Trade Receivables	2,583.15		(935.27)	
(Increase) / Decrease in Loans	4.15		0.07	
(Increase) / Decrease in Other Financial Assets	196.54		811.23	
(Increase) / Decrease in Other Assets	958.62		623.93	
Increase / (Decrease) in Trade Payables	(906.52)		(2243.49)	
Increase / (Decrease) in Other Financial Liabilities	205.13		1105.79	
Increase / (Decrease) in Other Liabilities	(146.11)		(254.47)	
(Increase) / Decrease in deposits	(11.34)		(11.97)	
Increase / (Decrease) in Short Term Provisions	(132.81)	6,752.59	401.55	(1,311.31)
Increase / (Decrease) in Non Current Liability	-			
Less: Direct Taxes paid (Net)		(14.99)		(446.72)
Net Cash inflow/(outflow) from operating activities (A)		**8,716.54**		**1,296.42**
B) Cash flow arising from Investing Activities				
Inflow				
Sale of fixed assets	0.01		-	
Sale of Investments	1,777.45		-	
Maturity of Fixed Deposit with Bank				
Proceeds from Inter Corporate Deposit	-		1300.00	
Interest income	326.86	2,104.32	345.03	1,645.03
Outflow				
Investment in share of a subsidiary	-		-	
Inter Corporate Deposit Given	(3,922.78)		(2,528.21)	
Fixed Deposit with Bank	(407.02)		(85.01)	
Acquisition of fixed assets	(457.63)	(4,787.25)	(2,120.31)	(4,733.35)
Net Assets acquired from Celebration Apparel Ltd. Under slump sale		-		-
Net Cash inflow/(outflow) from investing activities (B)		**(2,682.93)**		**(3,088.32)**
C) Cash flow from Financing Activities				
Inflow				
Inter Corporate Deposit Taken	1,000.00		2,000.00	
Increase in Working Capital Loan / Short term loans from Banks	(3,871.65)	(2,871.65)	4,390.06	6,390.06
Outflow				
Repayment of Non Current Financial Borrowings	(80.62)		(219.53)	
Repayment of Inter Corporate Deposit	(2,466.33)		(3,707.96)	
Finance Costs	(559.84)		(615.62)	
Repayment of Lease Liabilities	(69.40)	(3,176.19)	(97.26)	(4,640.37)
Net cash inflow/(outflow) from Financing activities (C)		**(6,047.84)**		**1,749.69**
Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)		(14.23)		(42.21)
Add: Balance at the beginning of the year (Refer Note 10)		48.52		29.21
Add: Balance received on purchase of assets of Celebration Apparel Ltd. Under slump sale		-		41.81
Add: Balance received on purchase of assets of Dress Masters Apparel Private Limited under Business Purchase Agreement				19.71
Cash and Cash equivalents at the close of the year (Refer Note 9)		**34.29**		**48.52**

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, 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, 2020	Opening Balance	Additions from Celebration Apparel Ltd. Under slump sale (Refer Note 44A)	Cash Flow (Repayments)/ Additions	Closing Balance
Long-term external borrowings	502.53	-	(219.53)	283.00

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

Year ended 31st March, 2020	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow Repayments	Closing Balance
Interest accrued on long term external borrowings	4.48	195.31	(197.20)	2.59

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

Sd/-
Chartered Accountants
Lalit R. Mhalsekar
Partner
Membership Number : 103418

Sd/-
Harishkumar Chatterjee
Director
DIN: 03560685

Sd/-
Krishnan Narayan
Director
DIN: 00950589

Place: Mumbai
Date:03rd May 2021

Silver Spark Apparel Limited

Statement of Changes in Equity

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

	Amount
As at 31 March, 2020	896.43
As at 31 March, 2021	896.43

B. Other Equity **(Rs in lakhs)**

	Reserves and Surplus			
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Total
Balance as at 1st April, 2019	**90.53**	**3,803.56**	**13,818.22**	**17,712.31**
Profit for the year	-	-	1,602.25	1,602.25
Transition impact of Ind AS 116	-	-	(43.85)	(43.85)
Capital reserve on purchase of assets of Celebration Apparel Ltd. Under slump sale	436.82	-	-	436.82
Additions on account of purchase of assets of Dress Masters Apparel Private Limited	0.22	-	(1,725.11)	(1,724.89)
Other Comprehensive Income for the year (Remeasurement of defined benefit plan)	-	-	5.19	5.19
Balance as at 31st March, 2020	**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**

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

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number : 103418

Sd/-
Harishkumar Chatterjee
Director
DIN: 03560685

Sd/-
Krishnan Narayan
Director
DIN: 00950589

Place: Mumbai
Date:03rd May 2021

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 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).

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.

(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 the “Duty Draw back Scheme”, "Merchandise Exports Incentive Scheme (MEIS)" etc. is accounted in the year of export.

(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 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. 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)

Silver Spark Apparel Limited
Notes to the Standalone Financial Statements

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, 2019	**85.71**	**2,519.66**	**298.90**	**9,690.02**	**79.74**	**262.41**	**84.32**	**13,020.76**	**396.01**
Additions	-	2.61	-	1,856.89	36.66	65.86	11.06	1,973.08	1,669.89
Additions from Celebration Apparel Ltd. Under slump sale	-	-	-	1,257.92	27.66	23.83	13.83	1,323.24	-
Additions from Dress Master Apparel Private Ltd. Under Business Purchase Agreement	-	-	-	2,678.04	5.31	3.28	20.21	2,706.84	-
Disposals	-							-	1,913.72
Adjustment	-	-	-	-	-	-	-	-	-
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	-	-	-	111.14	-	-	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**
Accumulated Depreciation									
Balance as at 31st March, 2019	-	**447.66**	**211.52**	**2,342.45**	**52.92**	**111.21**	**70.14**	**3,235.90**	-
Additions from Celebration Apparel Ltd. Under slump sale	-	-	-	381.34	17.79	18.94	8.58	426.66	-
Additions from Dress Master Apparel Private Ltd. Under Business Purchase Agreement	-	-	-	430.80	4.58	2.57	9.10	447.04	
Depreciation for the year	-	88.35	53.82	700.77	12.80	56.37	9.53	921.64	-
Deductions/Adjustments	-	-	-	-	-	-	-	-	-
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**	-
Net Carrying Amount :									
Balance as at 31st March, 2020	**85.71**	**1,986.26**	**33.56**	**11,627.52**	**61.28**	**166.29**	**32.06**	**13,992.66**	**152.18**
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.

Silver Spark Apparel Limited
Notes to the Standalone Financial Statements

2B Right-of-use Asset **(Rs in lakhs)**

	Buildings	Total
Gross Carrying Amount :		
Balance as at 31st March, 2019	**-**	-
Additions	405.61	405.61
Disposals	-	-
Balance as at 31st March, 2020	**405.61**	**405.61**
Additions	-	-
Disposals	210.30	210.30
Balance as at 31st March, 2021	**195.31**	**195.31**
Accumulated Depreciation:		
Balance as at 31st March, 2019	**-**	**-**
Depreciation for the year	110.15	**110.15**
Eliminated on disposal of assets	-	**-**
Balance as at 31st March, 2020	**110.15**	**110.15**
Depreciation for the year	71.13	**71.13**
Deductions/Adjustments	95.09	**95.09**
Balance as at 31st March, 2021	**86.18**	**86.18**
Net Carrying Amount :		
Balance as at 31st March, 2020	**295.46**	**295.46**
Balance as at 31st March, 2021	**109.12**	**109.12**

Silver Spark Apparel Limited
Notes to the Standalone Financial Statements

3 Intangible assets **(Rs in Lakhs)**

	Computer Software	Total	Intangible Asset under development
Gross Carrying Amount :			
Balance as at 31st March, 2019	**93.51**	**93.51**	**108.51**
Additions	617.99	617.99	**509.48**
Additions from Dress Master Apparel Private Ltd. Under Business Purchase Agreement	11.06	11.06	
Deductions/Adjustments	-	-	**617.99**
Balance as at 31st March, 2020	**722.56**	**722.56**	**-**
Additions	133.33	133.33	**517.68**
Deductions/Adjustments		-	**133.33**
Balance as at 31st March, 2021	**855.89**	**855.89**	**-**
Accumulated Amortisation :			
Balance as at 31st March, 2019	**38.92**	**38.92**	**-**
Amortisation for the year	54.02	54.02	
Additions from Dress Master Apparel Private Ltd. Under Business Purchase Agreement	10.64	10.64	
Deductions/Adjustments	-	-	
Balance as at 31st March, 2020	**103.58**	**103.58**	**-**
Amortisation for the year	234.63	234.63	
Additions from Dress Master Apparel Private Ltd. Under Business Purchase Agreement	-	-	
Deductions/Adjustments			
Balance as at 31st March, 2021	**338.22**	**338.22**	**-**
Net Carrying Amount :			
Balance as at 31st March, 2020	**618.98**	**618.98**	**-**
Balance as at 31st March, 2021	**517.68**	**517.68**	**-**

-

(a) Other than internally generated
(b) Balance useful life as on 31st March 21 is 2.5 years for addition in Computer Software.

Silver Spark Apparel Limited
Notes to the Standalone Financial Statements

4 Non Current Investments **(Rs. in Lakhs)**

	As at 31st March, 2021		As at 31st March, 2020	
	No. of Units	**Amount**	**No. of Units**	**Amount**
Investment in subsidiaries				
Unquoted				
Equity Instruments at Cost				
Dress Master Apparel Pvt Limited (Equity Shares of Rs. 100 each)(Sold during the year-12000 shares)	-	-	12,000	1,052.63
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**	**35,812**	**5,495.32**

Note :-
During the current 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

5 Other Financial assets **(Rs. in Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, considered good)		
Deposits	252.93	312.05
Margin money deposits with bank*	296.22	297.36
*(Held as lien by bank against bank guarantee.)		
Total	**549.15**	**609.41**

6 Other Non-current assets **(Rs. in Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Capital advances	9.33	101.92
Prepaid Expense - Deferred cost	7.77	12.73
Total	**17.10**	**114.65**

7 Inventories (Rs. in Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Raw Materials (Including Packing Material)	3,446.58	6,301.80
Raw Materials - In Transit	-	20.87
Work-in-progress	96.31	236.61
Finished goods	4,219.98	5,646.99
Stock in Trade	271.71	197.30
Trading goods in transit	694.73	249.67
Stores and Spares	67.62	145.47
Total	**8,796.93**	**12,798.71**

8 Trade receivables

(Rs. in Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Trade Receivable(refer Note 46)	4,228.74	5,659.84
Receivable from Related parties (refer Note 38)	5,384.54	7,065.00
Less: Allowance for bad and doubtful debts	(69.27)	(13.75)
Total	**9,544.01**	**12,711.09**

The movement in Allowance for bad and doubtful debts is as follows:

(Rs. in Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Balance as at beginning of the year	13.75	10.74
Additions from Dress Master Apparel Private Ltd. Under Business Purchase Agreement	-	3.01
Allowance for bad and doubtful debts during the year	55.52	-
Less: Trade receivables written off during the year	-	-
Balance as at the end of the year	**69.27**	**13.75**

Refer note 40 for information about credit risk and market risk of trade receivables.

9 Cash and cash equivalents **(Rs. in Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Cash in hand	5.95	12.28
Balances with Banks		
In current accounts(Refer Note 46)	28.34	36.24
Total	**34.29**	**48.52**

10 Bank Balances other than Cash and Cash Equivalents **(Rs. in Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Fixed deposits with banks	395.68	-
Margin Money Deposits	24.85	13.51
(Held as lien by bank against bank guarantee)		
Total	**420.53**	**13.51**

11 Loans **(Rs. in Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, considered good)		
Loans to employees	0.97	5.12
Loans to related parties (Refer Note 38)	6,050.99	2,128.21
Total	**6,051.96**	**2,133.33**

Refer note 40 for information about credit risk and market risk for loans.

12 Other Financial Assets **(Rs. in Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Derivative financial instruments	-	-
Export benefits receivable	136.14	246.95
Interest Subsidy receivable, considered good	-	92.24
Interest receivable	67.66	34.06
Advances to related parties (Refer Note 38)	-	-
Export benefits receivable, considered doubtful	142.92	63.47
Less: Allowance for bad and doubtful assets	(142.92)	(63.47)
Interest Subsidy receivable, considered doubtful	92.24	-
Less: Allowance for bad and doubtful assets	(92.24)	-
Total	**203.80**	**373.25**

13 Other current assets **(Rs. in Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Export incentive receivable, considered good	-	1,517.35
Advances to Suppliers(Refer Note 46)	289.96	687.50
Balances with government authorities, considered good	911.23	2,046.20
Prepaid Expense - Deferred cost	4.96	7.60
Prepaid expenses	27.34	111.19
Other advances	24.21	28.16
Other assets	-	0.10
Export incentive receivable, considered doubtful	-	217.28
Less: Allowance for bad and doubtful assets	-	(217.28)
Balances with government authorities, considered doubtful	22.05	22.05
Less: Allowance for bad and doubtful assets	(22.05)	(22.05)
Total	**1,257.70**	**4,398.10**

Opening Provision	**217.28**	**-**
Less: Provision WrittenOff	(217.28)	-
Closing Provision	**-**	**-**

14A Equity Share capital

(Rs. in Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Authorised		
4,00,00,000 [31st March, 2020: 4,00,00,000] Equity Shares of Rs.10 each	4,000.00	4,000.00
1.000.000[31st March,2020 : 1,000,000] Preference Shares of Rs.100 each	1,000.00	1,000.00
Issued		
8,964,300 [31st March, 2020: 8,964,300] Equity Shares of Rs.10 each	896.43	896.43
Subscribed and fully paid up		
8,964,300 [31st March, 2020: 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, 2021		As at 31st March, 2020	
	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 (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 Holding Company

	As at 31st March, 2021	As at 31st March, 2020
Equity Shares of Rs. 10 each held by: 8,964,300 Equity shares [March 31, 2019: 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, 2021		As at 31st March, 2020	
	%	No. of Shares	%	No. of Shares
Equity shares held by Raymond Limited	100	89,64,300	100	89,64,300

Silver Spark Apparel Limited
Notes to the Standalone Financial Statements

14B Other Equity **(Rs in lakhs)**

	Reserves and Surplus			
	Capital Reserve	**Securities Premium Reserve**	**Retained Earnings**	**Total**
Balance as at 31st March, 2019	**90.53**	**3,803.56**	**13,818.22**	**17,712.31**
Profit for the year	-	-	1,602.25	1,602.25
Transition impact of Ind AS 116	-	-	(43.85)	(43.85)
Capital reserve on purchase of assets of Celebration Apparel Ltd. Under slump sale	436.82	-	-	436.82
Additions on account of purchase of assets of Dress Masters Apparel Private Limited	0.22	-	(1,725.11)	(1,724.89)
Other Comprehensive Income for the year (Remeasurement of defined benefit plan)	-	-	5.19	5.19
Balance as at 31st March, 2020	**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**

15 Non Current Borrowings

(Rs. in Lakhs)

	As at 31st March, 2021	**As at 31st March, 2020**
Secured		
Term Loan From banks	-	121.00
	-	**121.00**
Unsecured		
Loans from Holding Company - Raymond Limited (*)	-	966.33
	-	**966.33**
Total	**-**	**1,087.33**

Nature of Security and terms of repayment for Long Term secured borrowings:

Nature of Security	**Terms of Repayment**
(i) Term loan amounting to Rs. 202.38 lakhs (Rs. 283.00 lakhs March 31,2020) is secured by first and exclusive charge on the moveable assets acquired out of the loan.	Repayable in 20 quarterly installments commencing from 18th October, 2016 and last installment due on 18th October, 2021. Rate of interest as at year end 9.95% (31st March,2020 :9.95% p.a.)

* Unsecured Loan from holding company - Raymond Limited,was repaid during the year. Rate of Interest at the time of repayment was 10.50% p.a for Rs.766.33 lacs and 8.50% p.a. for loan amounting to Rs. 200 Lacs (Previous Year10.50% p.a. and 8.50% p.a. respectively.).

** Rate of interest is without considering interest subsidy under TUF scheme.
Note: Instalment of loans falling due within next twelve months aggregating Rs. 202.38 lakhs (Rs. 162.00 lakhs March 31,2020) have been grouped under current maturities of long term debt. (Refer Note 19)

Term loan from banks is net of unamortised loan processing cost amounting to Rs. 0.38 lakhs (Rs. 0.50 lakhs March 31,2020)

16 **Other non current liabilities** **(Rs. in Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Government Grant relating to assets	716.43	797.83
Financial Guarantee liability	71.49	99.23
	787.92	**897.06**

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, 2021	As at 31st March, 2020
Secured		
Loans repayable on demand from banks	5,577.28	9,448.93
(Secured against first pari-passu charge on Stock, Receivables and Plant & Machinery)		
Unsecured		
Loans from Fellow Subsidiary Company - Ring Plus Aqua Limited	-	1,500.00
Loans from Related Party - JK Investor Bombay Limited	1,000.00	
Total	**6,577.28**	**10,948.93**

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, 2021	As at 31st March, 2020
Trade payables*		
Amounts due to related parties (Refer note 38)	10,240.82	10,292.19
Others (Refer note 46)	3,240.67	4,812.78
Amounts due to micro and small enterprise	123.12	27.31
Total	**13,604.61**	**15,132.28**

*Includes Provision for Expenses
Refer note 40 for information about liquidity risk and market risk of trade payables

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, 2021	As at 31st March, 2020
a) The principal amount remaining unpaid to any supplier at the end of the year	123.12	27.31
b) Interest due remaining unpaid to any supplier at the end of the year	5.28	1.80
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	5.28	1.80
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.

19 **Other financial liabilities** **(Rs. in Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Current maturities of long-term debt from Banks	202.38	162.00
Current maturities of long-term debt from Holding companies	-	-
Interest accrued	61.86	29.80
Salary and Wages payable	3,154.97	2,866.04
Derivative financial instruments	11.13	100.24
Payable to related parties(Refer Note 38)	688.24	682.93
Total	**4,118.58**	**3,841.01**

20 **Other current liabilities** **(Rs. in Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Advance from customers(Refer Note 46)	10.83	650.28
Statutory Dues	81.80	223.41
Government Grants Relating to Assets (Refer Note 16)	71.39	57.35
Financial Guarantee liability	27.74	32.24
Total	**191.76**	**963.28**

21 **Short Term Provisions** **(Rs. in Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Provision for Gratuity (Refer Note 37)	656.76	636.46
Provision for Leave Entitlement	399.08	552.19
Total	**1,055.84**	**1,188.65**

22 Revenue from Operations **(Rs. in Lakhs)**

	Year ended 31st March, 2021	Year ended 31st March, 2020
Sale of Products		
(Manufactured & Traded products)	33,101.55	47,881.84
Sales of Services		
(i) Job Work	3,010.23	7,042.11
Other operating revenue		
(i) Export Incentives, etc	613.63	2,020.21
(ii) Process waste sale	11.64	9.41
Total	**36,737.05**	**56,953.57**

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price :

	Year ended 31st March, 2021	Year ended 31st March, 2020
Contract Price		
Less :	36,737.05	56,976.50
Performance linked incentives / Discounts	-	22.93
Total	**36,737.05**	**56,953.57**

23 Other income **(Rs. in Lakhs)**

	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest income	364.13	380.43
Profit on sale of Investment*	724.82	
Exchange Fluctuation (net)	-	630.12
Goverment Grant relating to assets	67.36	59.52
Other non-operating income	32.74	38.17
Gain Loss on Termination / Modification of Lease	60.52	-
Excess Provision written back	203.85	-
Total	**1,453.42**	**1,108.24**

*During the current 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, 2021	Year ended 31st March, 2020
Raw materials consumed		
Opening Stock	6,301.80	4,100.90
Purchases	13,596.36	31,734.33
Less : Closing Stock	3,446.58	6,301.80
# Includes cost of packing material consumed during the year		
Total	**16,451.58**	**29,533.43**

25 Purchase of Stock in Trade **(Rs. in Lakhs)**

	Year ended 31st March, 2021	Year ended 31st March, 2020
Purchase of Traded Goods	1,333.50	3,474.83
Total	**1,333.50**	**3,474.83**

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, 2021	Year ended 31st March, 2020
Opening inventories		
Finished goods	5,646.99	2,400.38
Stock-in-trade	197.30	1,488.97
Work-in-progress	236.61	292.21
Accumulated cost of conversion contracts		
Completed	-	194.78
In Process	-	11.42
	6,080.90	**4,387.76**
Closing inventories		
Finished goods	4,219.98	5,646.99
Stock-in-trade	271.71	197.30
Work-in-progress	96.31	236.61
Accumulated cost of conversion contracts		
Completed	-	-
In Process	-	-
	4,588.00	**6,080.90**
Add: Purchase of Finished goods from Celebration Apparel Ltd. Under slump sale	-	**711.12**
Add: Purchase of Finished goods from Dress Master Apparel Private Ltd. Under Business Purchase Agreement	-	**238.54**
Total	**1,492.90**	**(743.48)**

27 Employee benefits expense (Rs. in Lakhs)

	Year ended 31st March, 2021	Year ended 31st March, 2020
Salaries and wages	8,785.12	10,532.24
Contribution to provident funds and other funds	656.11	792.36
Defined benefit plan expense (Refer note 37)	358.94	228.17
Workmen and Staff welfare expenses	325.66	722.15
Total	**10,125.83**	**12,274.92**

Silver Spark Apparel Limited
Notes to the financial statements

28 Finance costs (Rs. in Lakhs)

	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest expense (Net of interest subsidy under TUF Scheme of Rs.Nil Lakhs (Previous year Rs.1.70 Lakhs))	591.90	615.93
Interest on lease liability	12.37	39.75
Total	**604.27**	**655.68**

29 Depreciation and amortization expense (Rs. in Lakhs)

	Year ended 31st March, 2021	Year ended 31st March, 2020
Depreciation on Property, Plant and Equipment (Refer note 2A)	1,142.70	921.64
Amortization on Intangible assets (Refer note 3)	234.63	54.02
Depreciation on Right of use Assets(Refer note 2B)	71.13	110.15
Total	**1,448.46**	**1,085.81**

30 Manufacturing and Operating Costs (Rs. in Lakhs)

	Year ended 31st March, 2021	Year ended 31st March, 2020
Consumption of stores and spare parts	549.59	924.71
Power and fuel	330.98	729.33
Job work charges	32.51	1,825.82
Repairs to buildings	93.67	71.63
Repairs to machinery	67.07	103.76
Other Manufacturing and Operating expenses	185.12	243.26
Total	**1,258.94**	**3,898.51**

31 Other expenses (Rs. in Lakhs)

		Year ended 31st March, 2021	Year ended 31st March, 2020
Rent (Refer note 36)		279.51	165.90
Insurance		150.88	165.90
Exchange Fluctuation (net)		248.17	-
Rates and Taxes		56.01	66.01
Commission to selling agents		945.84	1,319.33
Carriage & Freight,etc.		704.88	1,459.70
Legal and Professional Expenses		311.32	406.89
Director Fees		2.50	15.00
Security Charges		274.60	214.82
Loss on sale of assets		98.03	-
IT outsourcing Cost		51.01	61.29
Expenditure toward Corporate Social Responsibility (CSR) activities		135.00	-
Provision for MEIS receivable			217.28
Export Benefits receivable Written Off	1,789.20	-	-
Less: Previous year MEIS Provision written back	(217.28)	-	-
Export Benefits receivable Written Off in Current year		1,571.92	-
Provision for Export benefits receivable		142.92	63.47
Provision for Interest subsidy receivable		92.24	-
Provision for doubtful debts		55.52	-
Provision for Service Tax Receivable		-	22.05
Corporate facility charges		455.67	548.73
Miscellaneous Expenses		706.87	1,570.18
Total		**6,282.89**	**6,296.55**

A Details of Payments to Auditor (Included in Legal and Professional expenses) (Rs. in Lakhs)

	Year ended 31st March, 2021	Year ended 31st March, 2020
Audit Fees	20.00	27.13
Other Services	2.50	3.50
Reimbursement Expenses	-	-
Total	**22.50**	**30.63**

B Corporate social resposibility expenditure (Rs. in Lakhs)

	Year ended 31st March, 2021	Year ended 31st March, 2020
a)Amount carried forward from previous year	82.00	
b) Gross amount required to be spent by the Company during the year	51.00	-
c) Amount spent during the year		
- In cash		
(i) Construction/acquisition of any asset		-
(ii) On purposes other than (i) above	135.00	-
- Yet to be paid in cash		
(iii) Construction/acquisition of any asset		
(iv) On purposes other than (iii) above	-	-
Total	135.00	-

During the year ended 31st March 2021 the Company has spent Rs. 135.00 Lakhs (Previous year: Rs. nil Lakhs) towards the CSR activities out of which an amount of Rs. 53.00 Lakhs (Previous period: Rs. Nil Lakhs) paid to Smt. Sulochanadevi Singhania School Trust. Rs 82 lacs spent during current year is amount carried forward from previous year which was not spent during previous year.

32 Income Tax

Tax expense recognised in the Statement of Profit and Loss

(Rs. in Lakhs)

	Year ended 31st March,2021	Year ended 31st March,2020
Current tax		
Current year	-	32.13
Total current tax	**-**	**32.13**
Deferred tax		
Origination and reversal of temporary difference	(217.14)	254.86
Change in tax rates	-	(303.68)
Total deferred income tax expense/(credit)	**(217.14)**	**(48.82)**
Total income tax expense/(credit)	**(217.14)**	**(16.69)**

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,2021	Year ended 31st March,2020
Profit before Tax	(807.90)	1,585.56
Enacted income tax rate in India	25.17%	25.17%
Income tax expenses as per enacted rate	(203.35)	399.09
Differences due to:		
Income not considered for tax purpose	(65.98)	-
Expenses not deductable for tax purpose	52.19	-
Change in tax rates		(303.68)
Others		(112.10)
Total	**(217.14)**	**(16.69)**
Effective Tax rate	**26.88**	**(1.05)**
	(0.00)	(0.00)

The movement in deferred tax assets and liabilities during the year ended March 31, 2020 and March 31, 2021:

(Rs. in Lakhs)

Movement during the year ended March 31, 2020 and March 31, 2021	As at 1st April, 2019	Credit/(charge) in statement of Profit and Loss	Credit/(charge) on additions from Celebration Apparel Ltd. Under slump sale (Refer Note 44A)	Credit/(charge) on additions from Dress Master Apparel Private Ltd. Under Business Purchase Agreement (Refer Note 44B)	Credit/(charge) in Other Comprehensive Income	Credit/(charge) direct to equity	As at 31st March, 2020	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2021
Deferred tax assets/(liabilities)										
Provision for post retirement benefits and other employee benefits	511.08	(94.90)	-	68.79	-	-	484.97	(10.85)	-	474.12
Provision for doubtful debts and advances	3.30	65.10	-	-	-	-	68.40	2.50	-	70.90
Expenses allowable for tax purposes when paid	51.67	60.10	-	(7.99)	-	-	103.78	80.11	-	183.89
Depreciation	(1,689.81)	447.64	(127.27)	(115.72)	-	-	(1,485.16)	29.68	-	(1,455.48)
Carried Forward losses	-	(405.12)		405.12	-	-	-	121.16	-	121.16
Temporary difference in Leases	-	(23.98)	-	-	-		(23.98)	(30.13)		(54.11)
Loss on sale of Fixed assets								24.67		24.67
Fair value gains/losses	(10.96)	-	-	-	(1.75)		(12.73)	-	(75.00)	(87.73)
	-						-	-		-
Total	**(1,134.72)**	**48.83**	**(127.27)**	**350.20**	**(1.75)**	**-**	**(864.72)**	**217.14**	**(75.00)**	**(722.58)**
							-			-

Silver Spark Apparel Limited
Notes to the Standalone Financial Statements

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, 2021	As at 31st March, 2020
Current Assets		
Cash and cash equivalents	34.29	48.52
Receivables	9,544.01	12,711.09
Inventories	8,796.93	12,798.71
Total	**18,375.23**	**25,558.32**
Movable Assets		
Plant & equipment	10,982.36	11,627.52
Furniture & fixtures	61.85	61.27
Vehicles	221.76	166.29
Office equipment	21.15	32.07
Total	**11,287.12**	**11,887.15**
Total assets pledged as security	**29,662.35**	**37,445.47**

34 Commitments

(Rs. in Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
(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	45.06	125.64
Less: Capital advances	9.33	101.92
Net Capital commitments	**35.73**	**23.72**
(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	754.31	509.34
(ii) Raw Materials	11,519.04	2,442.71
Total Other Commitments	**12,273.35**	**2,952.05**
Total Commitments	**12,309.08**	**2,975.77**

35 Contingent liabilities and Contingent Assets (to the extent not provided for)

(Rs. in Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Contingent Liabilities		
(a) Claims against the Company not acknowledged as debts :-		
ESIC	8.36	8.36
Excise Matters	95.82	95.82
Income Tax #	66.73	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) *	9,794.42	11,271.35
Total	**10,163.33**	**11,640.26**

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 2012-13, for the demand of disallowances of depreciation and related expenses to the extent of Rs. 13.7 lakhs. Demand has been raised of Rs. 37.3 Lakhs and 15.65 Lakhs by Commissioner Appeal for Assessment Year 2014-15 and Assessment Year 2017-18 respectively.

* 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.

36 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	265.48
Leases of low value assets	-
Variable lease payments	-
Total	**265.48**

2 Additional profit or loss and cash flow information

Particulars	**Amount**
Income from subleasing ROU	-
Total cash outflow in respect of leases in the year	236.55

3 **The undiscounted maturity analysis of lease liabilities at 31 March 2021 is as follows:**

Particulars	**As at 31st March, 2021**		**As at 31st March, 2020**	
	Lease payments	**Finance Charge**	**Lease payments**	**Finance Charge**
Within1 year	186.21	7.22	342.84	24.29
1-2years	74.03	2.42	283.95	14.65
2-3years	-	-	215.41	4.99
3-4years	-	-	-	-
4-5years	-	-	-	-
5-10years	-	-	-	-
10-25years	-	-	-	-
Over 25years	-	-	-	-
Total	**260.24**	**9.64**	**842.20**	**43.92**

37 Post retirement benefit plans

As per Actuarial Valuation as on 31st March, 2021 and 31st March, 2020 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.656.11 Lakhs (31st March 2020: Rs.742.27 Lakhs).

B. Balance Sheet **(Rs. in Lakhs)**

	Defined benefit plans	
	As at 31st March, 2021	As at 31st March, 2020
Present value of plan liabilities	926.52	1,079.91
Fair value of plan assets	269.76	443.45
Plan liability net of plan assets	**656.76**	**636.46**

C. Movements in plan assets and plan liabilities **(Rs. in Lakhs)**

	Year ended 31st March, 2021			Year ended 31st March, 2020		
	Plan Assets	Plan liabilities	Total	Plan Assets	Plan liabilities	Total
As at 1st April	443.45	1,079.91	(636.46)	542.15	786.29	(244.14)
Current service cost	-	317.16	(317.16)	-	251.58	(251.58)
Return on plan assets excluding amounts included in net	(10.50)	-	(10.50)	80.47	-	80.47
Difference in fair value of plan assets	-	-	-	-	-	-
Interest cost	29.09	70.87	(41.78)	43.39	64.06	(20.67)
Actuarial (gain)/loss arising from changes in financial assumptions	-	5.42	(5.42)	-	(33.92)	33.92
Actuarial (gain)/loss arising from experience adjustments	-	(313.88)	313.88	-	107.45	(107.45)
Employer contributions	5.00		5.00	(72.54)	153.06	(225.60)
Transferred In/Acquisitions		-	-	70.50	-	
Benefit paid directly by the employer	-	(35.69)	35.69	-	-	-
Benefit payments	(197.28)	(197.27)	(0.01)	(220.52)	(248.61)	28.09
As at 31st March	**269.76**	**926.52**	**(656.76)**	**443.45**	**1,079.91**	**(636.46)**

The weighted average duration of the defined benefit plans is 10 years (2019-20 : 10 Years)
The expected contribution to the funded plans in financial year 2021-22 : 481.38 Lacs (2020-21 : 675.50 Lacs)

D. Statement of Profit and Loss **(Rs. in Lakhs)**

	Year ended 31st March, 2021	Year ended 31st March, 2020
Employee Benefit Expenses:		
Current service cost	317.16	214.72
Total	**317.16**	**214.72**
Finance cost/(income)	41.78	13.45
Net impact on the Profit / (Loss) before tax	**358.94**	**228.17**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	(10.50)	80.47
Actuarial gains/(losses) arising from changes in financial assumptions	(5.42)	33.92
Experience gains/(losses) arising on pension plan and other benefit plan liabilities	313.88	(107.45)
Net impact on the Other Comprehensive Income before tax	**297.96**	**6.94**

-

E. Assets

(Rs. in Lakhs)

	Defined benefit plans	
	As at 31st March, 2021	As at 31st March, 2020
Unquoted		
Insurer managed funds	269.76	443.45
Total	**269.76**	**443.45**

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, 2021	As at 31st March, 2020
Financial Assumptions		
Discount rate	6.49%	6.56%
Salary Escalation Rate	0% - 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, 2021			Year ended 31st March, 2020		
	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%	(72.36)	92.64	1%	(87.89)	102.46
Salary Escalation Rate	1%	82.19	(64.85)	1%	100.47	(79.21)
Attrition Rate	1%	(10.34)	11.25	1%	(21.07)	24.06

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, 2021 as follows:

(Rs. in Lakhs)

Year ending 31 March, 2021	Defined benefit obligation	
	As at 31st March, 2021	As at 31st March, 2020
1st following year	64.68	62.26
2nd following year	68.49	72.10
3rd following year	75.70	83.52
4th following year	76.24	90.65
5th following year	86.50	93.98
Thereafter	367.20	447.72

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
Raymond UCO Denim Private Limited
JK Investor Bombay 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
Smt. Rashmi Mundada
Shri Akshat Chechani(CS upto 07.09.2020)

e) Trust

Silver Spark Apparel Limited Employees Gratuity Fund

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
Income					
Job Work charges					
Raymond Limited	222.40				
	(798.51)				
Dress Master Apparel Private Limited		-			
		(111.85)			
R & A Logistics, INC		1949.11			
		(4649.51)			
Raymond (Europe) Limited			475.82		
			(130.81)		
Sales					
Raymond Limited	-				
	(1.91)				
Silver Spark Apparel Ethiopia PLC		-			
		(84.54)			
Silver Spark Middle East FZE		-			
		(19.60)			
Dress Master Apparel Private Limited		-			
		(41.76)			
Celebrations Apparel Limited			14.54		
			(994.54)		
Raymond (Europe) Limited			1886.67		
			(5246.84)		
Raymond Apparel Limited			968.48		
			(1739.46)		
R & A Logistics, INC		1774.69			
		(2291.61)			
Everblue Apparel Limited			10.62		
			-		
Export Script Sales					
Raymond Limited	26.98				
	(1508.15)				
JK Files Limited			-		
			(61.02)		
Sale of Fixed Assets					
Silver Spark Apparel Ethiopia PLC - Ethiopia		16.54			
		-			
Others reimbursement					
Raymond Limited	11.49				
	(24.97)				
Dress Master Apparel Private Limited		-			
		(443.00)			
Silver Spark Middle East FZE		7.68			
		(35.31)			
Celebrations Apparel Limited			-		
			(396.21)		
Raymond Luxury Cottons Limited			-		
			-		
Raymond Apparel Limited			0.08		
			-		
Raymond (Europe) Limited			-		
			(4.00)		
R & A Logistics, INC		16.74			
		(4.82)			
Guarantee income					
Silver Spark Middle East FZE		32.24			
		(32.24)			
Compensation for rejection					
Raymond (Europe) Limited	-	5.78	-	-	-
	-	(52.46)	-	-	-

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
Purchase					
Raymond Limited	2249.57 (11813.84)				
Silver Spark Middle East FZE		1333.48 (3363.72)			
Raymond Apparel Limited			- (98.94)		
Dress Master Apparel Private Limited		- (30.79)			
Raymond Luxury Cottons Limited			1159.34 (602.27)		
Celebrations Apparel Limited			0.01 (165.13)		
Everblue Apparel Limited			6.34 -		
Raymond UCO Denim Private Limited				0.07 -	
Job Work Expenses					
Everblue Apparel Limited			0.12 -		
		-			
Expenses					
Rent					
Raymond Limited	35.88 (35.88)				
Celebrations Apparel Limited			102.69 (34.23)		
Dress Master Apparel Private Limited		61.33 23.00			
Avani Agricultural Farms Private Limited				37.80 (37.80)	
Job Work charges					
Dress Master Apparel Private Limited		- (1712.32)			
Everblue Apparel Limited			0.12 -		
Commission					
Raymond (Europe) Limited			153.24 (220.00)		
R & A Logistics, INC		425.13 (836.02)			
Corporate facility charges					
Raymond Limited	455.67 (540.75)				
Motor Vehicle Repair					
JK Investor Bombay Limited				3.59 -	
Others reimbursement					
Raymond Limited	106.59 (501.33)				
Dress Master Apparel Private Limited		- (189.35)			
Celebrations Apparel Limited			-		
R & A Logistics, INC		39.62 -			
Silver Spark Middle East FZE		93.38 -	-		
Deputation of staff					
Raymond Limited	- (44.33)				
Directors sitting fees:					
	-	-	-	-	-
Gautam Hari Singhania	-	-	-	1.00 (3.00)	-
R.A.Prabhudesai	-	-	-	- (4.00)	-
R.Narayanan	-	-	-	- (4.00)	-
Rashmi Mundada	-	-	-	1.50 (4.00)	-
	-	-	-	-	-
Paid to Trust - Employees Gratuity Fund contribution	-	-	-	-	31.48 20.00
Finance					
Unsecured Loan taken					
Raymond Limited	- (2,000.00)	-	-	-	-
Dress Master Apparel Private Limited					
JK Investor Bombay Limited				1000.00 -	
	-	-	-	-	-
Unsecured Loan repaid					
Raymond Limited	966.33 (3707.96)				
Dress Master Apparel Private Limited		- (1300.00)			
Ring Plus Aqua Limited			1500.00 -		
Unsecured Loan given					
Dress Master Apparel Private Limited		- (400.00)			
Silver Spark Middle East FZE		995.06 (2128.82)			
Raymond Apparel Limited			3000.00 -		
Sale of Investment					
Dress Master Apparel Private Limited		1052.63 -			
Interest Expense					
Raymond Limited	8.17 (117.90)	-	-	-	-
Ring Plus Aqua Limited			85.58 (31.79)		
JK Investor Bombay Limited				8.15 -	
Interest Earned					
Dress Master Apparel Private Limited	-	- (264.25)	-	-	-
Silver Spark Middle East FZE		245.46 (110.26)			
Raymond Apparel Limited			10.48 -		

Previous year's figures are in bracket.

(Rs. In Lakhs)

	31st March'21	31st March'20
Outstandings :		
Payable		
Holding Company		
Raymond Limited	8359.10	7452.58
Subsidiary		
Silver Spark Middle East FZE	805.76	909.05
Dress Master Apparel Private Limited	-	23.00
Silver Spark Apparel Ethiopia PLC	-	-
R & A Logistics, INC	268.84	221.88
Fellow Subsidiaries		
Celebrations Apparel Limited	83.80	
Raymond (Europe) Limited	97.58	214.63
Raymond Apparel Limited	-	242.40
Everblue Apparel Limited	0.03	-
Ring Plus Aqua Limited	-	59.73
Raymond Luxury Cottons Limited	589.99	1168.91
Key Management Personnel and their enterprises		
JK Investor Bombay Limited	11.64	-
Raymond UCO Denim Private Limited	0.07	-
Receivable		
Holding Company		
Raymond Limited	136.23	374.70
Subsidiary		
Dress Master Apparel Private Limited	-	-
Silver Spark Middle East FZE	744.16	598.55
Silver Spark Apparel Ethiopia PLC	-	0.47
R & A Logistics, INC	1504.45	2323.41
Fellow Subsidiaries		
Raymond (Europe) Limited	383.75	1232.43
Raymond Apparel Limited	2615.94	1848.50
Celebrations Apparel Limited	-	686.94
Raymond Luxury Cottons Limited	-	-
Investment		
Subsidiary		
Dress Master Apparel Limited	-	1052.63
Silver Spark Middle East FZE	3164.36	3164.36
R & A Logistics, INC	1278.33	1278.33
Other Receivable		
Dress Master Apparel Private Limited	-	-
Advances given		
Dress Master Apparel Private Limited	-	-
Silver Spark Middle East FZE	3051.00	-
Celebrations Apparel Limited	-	-
Raymond Luxury Cottons Limited	-	-
Raymond Limited	-	-
Advances repaid by		
Dress Master Apparel Private Limited	-	-
Advances received		
Raymond Limited	712.22	682.93
Loans Taken		
Raymond Limited	-	966.33
Ring Plus Aqua Limited		1500.00
JK Investor Bombay Limited	1000.00	
Loans Given		
Dress Master Apparel Private Limited	-	-
Silver Spark Middle East FZE	3051.00	2128.21
Raymond Apparel Limited	3000.00	
Deposit Given		
Avani Agricultural Farms Private Limited	50.00	50.00
Celebrations Apparel Limited	51.34	51.34

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'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	203.80	752.95	-	-	549.15	549.15	-	-	-	-	203.80	752.95
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	**16,254.59**	**16,803.74**	**-**	**-**	**549.15**	**549.15**	**-**	**-**	**-**	**-**	**16,254.59**	**16,803.74**
Financial Liabilities													
Borrowings	-	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	-	3,905.07	3,905.07	-	-	-	-	-	-	-	-	3,905.07	3,905.07
Trade Payables	-	13,604.61	13,604.61	-	-	-	-	-	-	-	-	13,604.61	13,604.61
	71.49	**24,328.21**	**24,399.70**	**-**	**11.13**	**99.23**	**110.36**	**-**	**-**	**-**	**-**	**24,289.34**	**24,399.70**

(Rs. In Lakhs)

Financial Assets and Liabilities as at 31st March'2020				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	-	2,128.21	2,128.21	-	-	-	-	-	-	-	-	2,128.21	2,128.21
Loans to Employees	-	5.12	5.12	-	-	-	-	-	-	-	-	5.12	5.12
Other Financial Assets	609.41	373.25	982.66	-	-	609.41	609.41	-	-	-	-	982.66	1,592.07
Trade receivable	-	12,711.09	12,711.09	-	-	-	-	-	-	-	-	12,711.09	12,711.09
Mark to market on derivative financial instruments*	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and Cash equivalents	-	48.52	48.52	-	-	-	-	-	-	-	-	48.52	48.52
Other Bank balance		13.51	13.51	-	-	-		-	-	-	-	13.51	13.51
	609.41	**15,279.70**	**15,889.11**	**-**	**-**	**609.41**	**609.41**	**-**	**-**	**-**	**-**	**15,889.11**	**16,498.52**
Financial Liabilities													
Borrowings (Including Current maturities of long-term debt from Banks	1,087.33	11,110.93	12,198.26	-	-	-	-	-	-	-	-	12,198.26	12,198.26
Financial guarantee liability	99.23	32.24	131.47	-	-	131.47	131.47	-	-	-	-	-	131.47
Mark to market on derivative financial instruments*	-	100.24	100.24	-	100.24	-	100.24	-	-	-	-	-	100.24
Other Financial Liabilities	-	3,578.77	3,578.77	-	-	-	-	-	-	-	-	3,578.77	3,578.77
Trade Payables	-	15,132.28		-	-	-		-	-	-	-	15,132.28	15,132.28
	1,186.57	**29,954.47**	**16,008.75**	**-**	**100.24**	**131.47**	**231.71**	**-**	**-**	**-**	**-**	**30,909.32**	**31,141.03**

* 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, 2021		As at 31st March, 2020	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Loan to Related Parties	6,050.99	6,050.99	2,128.21	2,128.21
Loans to Employees	0.97	0.97	5.12	5.12
Other Financial Assets	203.80	203.80	373.25	373.25
Trade receivable	9,544.01	9,544.01	12,711.09	12,711.09
Cash and Cash equivalents	34.29	34.29	48.52	48.52
Other Bank balance	420.53	420.53	13.51	13.51
	16,254.59	**16,254.59**	**15,279.70**	**15,279.70**
Financial Liabilities				
Borrowings (Including Current maturities of long-term debt from Banks)	6,779.66	6,779.66	12,198.26	12,198.26
Other Financial Liabilities	3,905.07	3,905.07	3,578.77	3,578.77
Trade Payables	13,604.61	13,604.61	15,132.28	15,132.28
	24,289.34	**24,289.34**	**30,909.31**	**30,909.31**

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.

Silver Spark Apparel Limited
Notes to the Standalone Financial Statements

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 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, 2021	As at 31st March, 2020
Borrowings bearing variable rate of interest	6,779.66	9,731.93

Interest rate sensitivity

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

(Rs. in lakhs)

	2020-2021	2019-2020
50 bp increase- decrease in profits	(33.90)	(48.66)
50 bp decrease- Increase in profits	33.90	48.66

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, 2021		As at 31st March, 2020	
Forward contracts to sell USD	USD	24.18	USD	30.17
Forward contracts to sell EUR	EUR	-	EUR	-
Forward contracts to sell GBP	GBP	9.04	GBP	39.34
Forward contracts to sell EUR/USD	EUR	-	EUR	-
Forward contracts to sell GBP/USD	GBP	-	GBP	-
Forward contracts to sell JPY	JPY	-	JPY	-

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

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	-	-

As at 31st March, 2020 **(Foreign currency in lakhs)**

Particulars	USD	EURO	HKD	JPY	GBP	AED
Trade payables	30.40	0.52	-	200.35	0.48	1.59
Trade receivable	66.26	8.80	-	278.35	-	-

Foreign Currency Risk Sensitivity
A change of 1% in Foreign currency would have following Impact on profit before tax

(Rs. in lakhs)

	2020-2021		2019-2020	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	8.79	(8.79)	27.13	(27.13)
EURO	8.20	(8.20)	6.86	(6.86)
HKD	-	-	-	-
JPY	2.15	(2.15)	0.54	(0.54)
GBP	(1.09)	1.09	(0.45)	0.45
AED	(2.39)	2.39	(0.33)	0.33
SGD			-	-
Increase / (decrease) in profit or loss	**15.67**	**(15.67)**	**33.75**	**(33.75)**

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, 2021	As at 31st March, 2020
Not due	4,921.13	88.18
0-3 months	1,835.31	6,624.66
3-6 months	446.82	4,754.86
6 months to 12 months	1,167.07	1,096.43
beyond 12 months	1,173.68	146.96
Total	**9,544.01**	**12,711.09**

Movement in provisons of doubtful debts

(Rs. in lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Opening provision	13.75	10.74
Add:- Additions from Dress Master Apparel Private Ltd. Under Business	-	3.01
Add:- Additional provision made	55.52	-
Less:- Provision write off/ reversed		
Less:- Provision utilised against bad debts	-	-
		13.75
Closing provisions	**69.27**	**13.75**

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 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 borrowings

(Rs. in lakhs)

	As at 31st March, 2021			
	0-1 year	**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**

	As at 31st March, 2020			
	0-1 years	**1-5 years**	**beyond 5 years**	**Total**
Long term borrowings (Including current maturity of long tern debt)	162.00	1,087.33	-	1,249.33
Short term borrowings	10,948.93	-		10,948.93
Expected Interest payable	138.81	103.57	-	242.38
Total	**11,249.74**	**1,190.90**	**-**	**12,440.64**

Maturity patterns of other Financial Liabilities

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	10,975.89	2,427.37	106.52	94.82	-	13,604.60
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	**10,975.89**	**5,225.35**	**121.21**	**1,258.59**	**57.91**	**17,638.95**

As at 31st March, 2020 **(Rs. in lakhs)**

	Overdue	**0-3 months**	**3-6 months**	**6 months to 12 months**	**beyond 12 months**	**Total**
Trade Payable	9,515.35	4,704.76	905.22	6.95	-	15,132.28
Lease liabilities	-	26.79	27.29	55.88	249.92	359.88
Other Financial liability (Current and Non Current)	-	2,272.48	-	1,406.53	-	3,679.01
Total	**9,515.35**	**7,004.03**	**932.51**	**1,469.36**	**249.92**	**19,171.17**

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 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, 2021	Year ended 31st March, 2020
HLL Lifecare Ltd	5,048.29	-
LI & FUNG Trading (Express)	8,265.65	-
Tailored Brands	-	7,050.94
R & A Logistics, INC	-	6,941.12
Raymond (Europe) Limited	-	5,377.65
Express	-	5,200.98
PeerlessClothing Inc.	-	4,270.13
JCpenney Purchasing Corparation	-	4,148.26
Others	-	21,934.88
Total	**13,313.94**	**54,923.96**

43 Business transfer agreement

During the previous year, the Company had entered into a Business Transfer Agreement (BTA) with Celebration Apparel Limited (Both parties are wholly owned subsidiaries of same Holding companies i.e, Raymond Limited) for purchase of garmenting business by way of slump sale on going concern basis, with effect from 1st December, 2019 for a lump sum consideration of INR 5.00 Lacs. The Company had discharged the consideration in cash.

Accordingly, the Company has capitalised the tangible and intangible fixed asset at fair value and other assets and liabilities at book value in its books of account. The shortage of consideration paid over the value of assets and liabilities was recognised as gain on purchase of assets and liabilities on slump sale and has been transferred to reserve. The summary of assets and liabilities taken over and recognised pursuant to the BTA, is as under:

Particulars	**Rs. In lakhs**
Tangible Assets	896.58
Capital Work in progress	9.91
Current Assets	3,124.80
Other Current Assets	450.48
Other Financial assets	141.36
Loan from Holding Companies	(966.33)
Other current liabilities & Provisions	(2,778.19)
Other financial liabilities	(212.59)
Other Non-current liabilities	(96.94)
Net Assets Acquired	569.09
Total Consideration	(5.00)
Gain on Purchase of Assets on Slump Sale (Gross)	564.09
Deferred Tax Liabilities on Tangible Assets transferred (Refer Note 32)	(127.27)
Net Gain on Purchase of Assets on Slump Sale (Capital Reserve)	**436.82**

44 The National Company Law Tribunal (NCLT), Mumbai Bench, vide its order dated February 27, 2020 whose certified copy received on June 24, 2020 and filed with ROC on July 13, 2020, has approved Scheme of arrangement ("Scheme"), which comprises of demerger of Garmenting business Undertaking of Dress Master Apparel Private Limited (a wholly-owned subsidiary of Company) with Silver Spark Apparel Limited with appointed date, January 01, 2020. Pursuant to the scheme all assets and liabilities (except Land and building) and income and expenses of Dress Master Apparel Private Limited has been transferred to Silver Spark Apparel Limited from the appointed date. In view of the said scheme, as per the requirement of Appendix C of IND AS 103 – Business Combinations, previous year 2019-20 figures restated.

The summary of assets, liabilities and reserves recognized in previous year pursuant to the Scheme, is as under:

Particulars	**Rs. In lakhs**
Tangible Assets	2,259.80
Intangible Assets	0.42
Capital Work in progress	50.12
Deferred Tax Assets (Net)	350.05
Income Tax Assets (Net)	52.10
Non-Current Assets	454.71
Current Assets	1,932.30
Loan from Holding Companies	(2,520.72)
Loan from Group Company	(1,500.00)
Non-Current Liabilities	(30.50)
Current Liabilities	(2,589.94)
Provision for Employee Benefits	(183.23)
Net Assets Acquired	**(1,724.88)**
Add: Balance in Reserves Acquired	
Capital Reserve	(0.22)
Retained Earnings	1,725.11
Net Assets & Reserves Acquired	-

The summary of profit and loss recognized in previous year pursuant to the Scheme, is as under:

Particulars	**Rs. In lakhs**
Revenue from Operations	312.90
Other Income	(60.76)
Cost of materials consumed	201.10
Changes in inventories	(21.82)
Employee benefits expense	617.43
Finance costs	32.54
Depreciation and amortization expense	37.16
Other expenses :	-
(a) Manufacturing and Operating Costs	(347.50)
(b) Other expenses	73.54
Tax expense	-
Current tax	(636.19)
Deferred tax charge/(credit)	448.95
Profit/(Loss) for the period	(153.06)

45 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 second half of the year, the Company remains watchful of the potential impact of COVID-19 pandemic, particularly the current "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.

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 Earnings per share

	Year ended 31st March, 2021	**Year ended 31st March, 2020**
Earnings Per Share		
Profit/(Loss) for the year (Rs. in lakhs)	(590.76)	1,602.25
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	(6.59)	17.87
- Diluted	(6.59)	17.87

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

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number : 103418

Sd/-
Harishkumar Chatterjee
Director
DIN: 03560685

Sd/-
Krishnan Narayan
Director
DIN: 00950589

Place: Mumbai
Date: 3rd May 2021

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 accompanying 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, 2021, 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 ended on that date, and a summary of the 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, 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 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, 2021, the consolidated loss (including other comprehensive loss), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for qualified opinion

Emphasis of Matter

We draw your attention to Note No 45 to the consolidated 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 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.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to 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 and other accounting principles generally accepted in India . The respective Board of Directors of the companies included in the Group are responsible for maintenance of the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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.

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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, 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 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.

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 three subsidiaries, whose financial statements reflect total assets of Rs. 13874.76 lakhs as at 31st March, 2021, total revenues of Rs. 19351.17 lakhs, total profit and (loss) of Rs. (716.09 lakhs), total comprehensive Income/(loss) Rs. (339.23 lakhs) and net cash inflows of Rs.693.39 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 statements, in so far as it relates to the amounts and disclosures included in respect of these 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 Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit 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, 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 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 Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors of the Company and its subsidiaries 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 March 31, 2021 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 and the 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:

   In our opinion 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 the consolidated financial position of the Group – Refer Note No 35 to the consolidated financial statements;

   b. The Group has no long term contracts including derivative contracts outstanding as on March 31, 2021

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

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration No: 101720W/ W100355

Sd/-
Lalit R. Mhalsekar
Partner
Membership No. 103418

UDIN: 21103418AAAADO3463

Place: Mumbai
Date: May 3, 2021

-

Annexure A to Independent Auditor's Report – March 31, 2021 on the consolidated 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")

1. We have audited the internal financial controls with reference to consolidated financial statement of Silver Spark Apparel Limited ('the Company') as of March 31, 2021 in conjunction with our audit of the Ind AS 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 internal financial controls with reference to Consolidated financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute ofChartered 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 these consolidated financial statement was established and maintained and if such controls operated effectively in all material respects.

4. An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these Consolidated financial statement and their operating effectiveness. Our audit of internal financial controls with reference to these standalone financial statement 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 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 these financial statement .

Meaning of Internal Financial Controls with reference to these Consolidated financial statements

6. A company's internal financial control over financial reporting with reference to these consolidated financial statement 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 these consolidated financial statement 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

7. Because of the inherent limitations of internal financial controls with reference to these consolidated 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 consolidated financial statement to

future periods are subject to the risk that the internal financial controls with refere to these financial statement may become inadequate because of changes conditions, or that the degree of compliance with the policies or procedures r deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financi controls over financial reporting with reference to these consolidated Ind A financial statements and such internal financial controls over financial reporting wi reference to these consolidated Ind AS financial statements were operati effectively as at March 31, 2021, based on the internal control over financ reporting criteria established by the Company considering the essential componer of internal control stated in the Guidance Note on Audit of Internal Financi Controls Over Financial Reporting issued by the Institute of Chartered Accountar of India.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration No: 101720W/ W100355

Sd/-
Lalit R. Mhalsekar
Partner
Membership No. 103418

UDIN: 21103418AAAADO3463

Place: Mumbai
Date: May 3, 2021

Silver Spark Apparel Limited
Consolidated Balance Sheet as at 31st March 2021

(Rs. in lakhs)

		Note	Audited As at 31st March, 2021	Audited As at 31st March, 2020
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Property, Plant and Equipment	2A	20,426.57	22,417.90
	(b) Capital work - in - progress	2A	49.50	152.18
	(c) Right-of-use Asset	2B	159.45	632.21
	(d) Goodwill		-	1,048.81
	(e) Other Intangible assets	3	576.60	685.75
	(f) Intangible assets under development	3	-	-
	(g) Financial Assets			
	(i) Others financial assets	4	840.23	811.59
	(h) Deferred tax assets (net)	33	-	-
	(i) Other non - current assets	5	17.10	152.48
	(j) Assets for Income Tax (Net)		427.23	412.24
2	**Current assets**			
	(a) Inventories	6	10,789.45	14,986.96
	(b) Financial Assets			
	(i) Trade Receivables	7	9,120.23	12,268.90
	(ii) Cash and cash equivalents	8	869.93	190.77
	(iii) Bank Balances other than Cash and Cash Equivalents	9	420.53	13.51
	(iv) Loans	10	3,000.97	7.77
	(v) Other financial asset	11	203.80	373.25
	(c) Other current assets	12	1,556.82	4,865.13
	TOTAL ASSETS		**48,458.41**	**59,019.45**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity Share capital	13	896.43	896.43
	(b) Other equity	14	8,442.83	9,391.76
	Liabilities			
2	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	15	4,073.42	6,768.99
	(ii) Lease liabilities	16	57.91	546.63
	(b) Deferred tax liabilities (Net)	33	705.11	847.25
	(c) Other Non-current Liability	17	724.88	797.83
3	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	18	9,352.89	13,764.88
	(ii) Lease Liabilities	19	124.03	208.79
	(iii) Trade Payables	20		
	(A) total outstanding dues of Small enterprise and micro enterprise		123.12	25.48
	(B) total outstanding dues of creditors other than Small enterprise and micro enterprise		16,171.20	17,134.81
	(iv) Other financial liabilities	21	6,555.02	6,322.55
	(b) Other current liabilities	22	175.74	1,125.39
	(c) Provisions	23	1,055.84	1,188.66
	(d) Current Tax Liabilities (Net)		-	-
	TOTAL EQUITY AND LIABILITIES		**48,458.41**	**59,019.45**

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

Sd/-
Lalit R. Mhalsekar
Partner
Membership No. 103418

Sd/-
Harishkumar Chatterjee
Director
DIN: 03560685

Sd/-
Krishnan Narayan
Director
DIN: 00950589

Place: Mumbai
Date: 3rd May 2021

Silver Spark Apparel Limited

Consolidated Statement of Profit & Loss for the year ended 31st March, 2021

(Rs. in lakhs)

		Note	Audited Year ended 31st March, 2021	Audited Year ended 31st March, 2020
I	**Revenue from Operations**	24	46,665.61	66,028.51
II	**Other Income**	25	881.60	656.89
III	**Total Income (I + II)**		**47,547.21**	**66,685.40**
IV	**Expenses**			
	Cost of materials consumed	26	22,946.42	36,918.05
	Purchases of Stock-in-Trade	27	109.29	111.11
	Changes in inventories of finished goods, Stock-in-Trade and work-in progress	28	1,377.37	(783.71)
	Employee benefits expense	29	12,125.69	17,043.36
	Finance costs	30	1,005.09	1,303.22
	Depreciation and amortization expense	31	2,232.60	2,088.66
	Impairment of Fixed Assets	2A	473.96	-
	Other expenses			
	A. Manufacturing and Operating Costs	32A	2,028.45	3,280.21
	B. Other expenses	32B	6,889.09	7,882.50
	Total expenses (IV)		**49,187.96**	**67,843.40**
V	**Profit / (loss) before exceptional items and tax (III - IV)**		(1,640.75)	(1,158.00)
VI	**Tax expense**			
	Current tax	33	10.55	32.13
	Deferred tax charge/(credit)	33	(217.14)	(65.30)
VII	**Profit/(Loss) for the period (V - VI)**		**(1,434.16)**	**(1,124.83)**
VIII	**Other Comprehensive Income**			
A	**(i) Items that will not be reclassified to profit or loss**			
	Remeasurements of net defined benefit plans	38	297.96	6.94
	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	(75.00)	0.01
	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		262.27	(1,463.09)
	Other Comprehensive Income for the period (VIII)		**485.23**	**(1,456.14)**
IX	**Total Comprehensive Income for the period (VII + VIII)**		**(948.93)**	**(2,580.97)**
X	**Earnings per equity share of Rs. 10 each :**	47		
	Basic		(16.00)	(14.93)
	Diluted		(16.00)	(14.93)
	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

Sd/-
Lalit R. Mhalsekar
Partner
Membership No. 103418

Sd/-
Harishkumar Chatterjee
Director
DIN: 03560685

Sd/-
Krishnan Narayan
Director
DIN: 00950589

Place: Mumbai
Date: 3rd May 2021

Silver Spark Apparel Limited
Consolidated Statement of Cash Flow for the year ended 31st March, 2021

(Rs. in lakhs)

Particulars	**Year ended31st March, 2021 Rs. in lakhs**		**Year ended31st March, 2020 Rs. in lakhs**	
A. Cash flow from Operating Activities				
Net Profit before tax as per Statement of Profit and Loss.		(1640.75)		(1158.00)
Add/(Less):				
(Profit)/Loss on sale of Fixed assets	98.03		-	
(Profit)/Loss on sale of Investment	(375.11)		-	
Interest Income	(127.81)		(42.05)	
Provision for doubtful debts	277.73		-	
Provision for Export benefits receivable(MEIS)			217.28	
MEIS receivable Written Off in current year	1,571.92		-	
Provision for Export benefits receivable	139.12		-	
Provision for Interest subsidy receivable	92.24		-	
Provision for Duty Drawback receivable	3.80		63.47	
Provision for doubtful other advances	-		22.05	
Provision no longer required / Credit balances written back	(203.85)		-	
Impairment of Fixed Assets	473.96		-	
Depreciation and amortisation	2,018.87		1,835.25	
Gain Loss on Termination / Modification of Lease	(106.97)		-	
Government grant amortised	(67.36)		(59.14)	
Other Comprehensive Income	560.23		(1,456.15)	
Finance Costs	962.12	5,316.92	1,223.10	1,803.81
Operating Cash Profit Before Working Capital changes		**3,676.17**		**645.81**
Changes in working capital				
(Increase) / Decrease in Inventories	4,197.51		(1,327.54)	
(Increase) / Decrease in Trade Receivables	2,231.49		(351.59)	
(Increase) / Decrease in loans	6.80		23.20	
(Increase) / Decrease in Other Financial Assets	(173.45)		305.34	
(Increase) / Decrease in Other Assets	1,530.66		(24.05)	
Increase / (Decrease) in Trade Payables	(344.05)		91.52	
Increase / (Decrease) in Other Financial Liabilities	84.42		707.07	
Increase / (Decrease) in Other Liabilities	(324.23)		(25.76)	
Increase / (Decrease) in Short Term Provisions	(132.82)	7,076.33	424.85	(176.98)
Less: Direct Taxes paid (Net)		(25.54)		(444.72)
Net Cash inflow/(outflow) from operating activities (A)		**10,726.95**		**24.11**
B. Cash flow arising from Investing Activities				
Inflow				
Sale of fixed assets	-		-	
Sale of Investments	1,777.45		-	
Interest income	94.21	1,871.66	17.52	17.52
Outflow				
Investment in Term Deposits with Banks	(405.88)		(16.29)	
Acquisition of fixed assets	(591.94)	(997.82)	(2,603.70)	(2,619.99)
Net Cash inflow/(outflow) from investing activities (B)		**873.84**		**(2,602.47)**
C. Cash flow from Financing Activities				
Inflow				
Loan from Related Parties	1,000.00		3,500.00	
Increase /(Decrease) in Working Capital Loan from Banks (Net)	(3,911.99)	(2,911.99)	4,067.93	7,567.93
Outflow				
Repayment of Term loan from bank (Net)	(1,594.02)		(255.02)	
Repayment of Loan to Holding Company	(966.33)		(3,707.96)	
Repayment of Loan to Related Party	(1,500.00)		-	
Loan to related party	(3,000.00)		-	
Finance Costs	(949.29)	(8,009.64)	(1,229.09)	(5,192.07)
Net cash inflow/(outflow) from Financing activities (C)		**(10,921.63)**		**2,375.87**
Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)		**679.16**		**(202.49)**
Add: Balance at the beginning of the year (Refer Note 8)		**190.77**		**351.45**
Add: Balance received on purchase of assets of Celebration Apparel Ltd. Under slump sale		**-**		**41.81**
Cash and Cash equivalents at the close of the year (Refer Note 8)		**869.93**		**190.77**

Statement of Significant Accounting Policies (Refer Note 1)
The accompanying notes are an integral part of these consolidated financial results

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, 2021	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow (Repayments)/ Additions	Closing Balance
Long-term external borrowings	8,544.65	-	(1,594.02)	6,950.63

Year ended 31st March, 2020	Opening Balance	Additions from Celebration Apparel Ltd. Under slump sale (Refer Note 44A)	Cash Flow (Repayments)/ Additions	Closing Balance
Long-term external borrowings	8,799.67	-	(255.02)	8,544.65

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

Year ended 31st March, 2020	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow Repayments	Closing Balance
Interest accrued on long term external borrowings	52.82	971.27	(988.74)	35.35

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

Sd/-
Lalit R. Mhalsekar
Partner
Membership No. 103418
Place: Mumbai
Date: 3rd May 2021

Sd/-
Harishkumar Chatterjee
Director
DIN: 03560685

Sd/-
Krishnan Narayan
Director
DIN: 00950589

Silver Spark Apparel Limited
Consolidated Statement of Changes in Equity

(a) Equity Share capital

	Note	Amount
As at 31 March, 2020	13	896.43
As at 31 March, 2021		896.43

(b) Other equity **(Rs. in lakhs)**

	Note	Reserves and Surplus				Total
		Capital Reserve	Securities Premium Reserve	Retained Earnings	Exchange Differences	
Balance as at 31st March, 2019		**129.49**	**3,803.55**	**8,476.03**	**(788.62)**	**11,620.45**
Profit / (Loss) for the year		-	-	(1,124.83)	-	(1,124.83)
Lease adjustments				(84.55)		(84.55)
Exchange differences on translating the financial statements of a foreign operation		-	-	-	(1,463.08)	(1,463.08)
Securities Premium on issue of Equity Shares		-	-	-	-	-
Capital reserve on purchase of assets of Celebration Apparel Ltd. Under slump sale (Refer Note 44A)		436.82	-	-	-	436.82
Other Comprehensive Income for the year (Re-measurement of defined benefit plans)		-	-	6.95	-	6.95
Total Comprehensive Income for the year	14	**436.82**	**-**	**(1,202.43)**	**(1,463.08)**	**(2,228.70)**
Balance as at 31st March, 2020		**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)
Post Acquisition Impact on Reserves (Creation of Deferred Tax Assets on Loss of DMAPL)		-	-	-	-	-
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
Balance as at 31st March, 2021		**566.31**	**3,803.55**	**6,062.40**	**(1,989.43)**	**8,442.83**

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

Sd/-
Lalit R. Mhalsekar
Partner
Membership No. 103418
Place: Mumbai
Date: 3rd May 2021

Sd/-
Harishkumar Chatterjee
Director
DIN: 03560685

Sd/-
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’) CIN 'U72900MH2000PLC127831' is a Company limited by shares, incorporated in India, headquartered in Mumbai, Maharashtra, India, 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 / pronuncements

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.

(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. 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.

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 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.

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.

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 Company are segregated. The company 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 company.

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 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 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.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(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 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. 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.

1 Statement of Significant Accounting Policies

***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 Company subsequently measures all equity investments 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 profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company'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 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, the Company 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 Company has not retained control of the financial asset. Where the Company 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.

1 Statement of Significant Accounting Policies

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 Company’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 Company 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 Company 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.

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.

Silver Spark Apparel Limited

1 Statement of Significant Accounting Policies

(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 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.

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 the "Duty Draw back Scheme", "Merchandise Exports Incentive Scheme (MEIS)" etc. is 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 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 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 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.

Silver Spark Apparel Limited

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 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.

x. Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable e 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 (note).

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.

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 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.

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 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.

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 45)

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, 2019	**86.68**	**2,929.84**	**762.99**	**20,213.07**	**390.27**	**396.43**	**117.71**	**24,896.99**	**675.83**
Additions	-	10.10	42.89	2,675.32	42.36	58.29	53.98	2,882.94	**2,359.29**
Additions from Celebration Apparel Ltd. Under slump sale	-	-	-	1,257.92	27.66	23.83	13.83	1,323.24	
Disposals	-	-	-	-	-	-	-	-	**2,882.94**
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**
Accumulated Depreciation									
Balance as at 31st March, 2019	-	**505.02**	**252.27**	**3,387.74**	**118.72**	**142.20**	**80.68**	**4,486.63**	-
Additions from Celebration Apparel Ltd. Under slump sale	-	-	-	381.34	17.79	18.94	8.58	426.66	
Additions	-	105.78	148.84	1,357.47	64.51	75.66	19.72	1,771.98	-
Disposals	-	-	-	-	-	-	-	-	-
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**	
Net Block									
Balance as at 31st March, 2020	**86.68**	**2,329.14**	**404.77**	**19,019.76**	**259.27**	**241.75**	**76.54**	**22,417.90**	**152.18**
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 36 for disclosure of contractual commitments for the acquisition of property, plant and equipment .
(c) Refer Note 44A for Tangible Assets acquired from Celebration Apparel Limited under Business transfer agreement.
(d) Adjustment indicates additional/reversal due to sale of stake in Dress Master Apparel Private Limited.

(e) *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, hence management has decided for creation of provision for Rs. 473.97 Lakhs (WDV of Capital Expenditure as on 30th June 2020) as impairment of Fixed Assets.

Silver Spark Apparel Limited
Notes to the consolidated financial statements

2B Right-of-use Asset **(Rs in lakhs)**

	Buildings	Total
Gross Carrying Amount :		
Balance as at 31st March, 2019	**-**	**-**
Additions	885.61	885.61
Disposals	-	-
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**
Accumulated Depreciation:		
Balance as at 31st March, 2019	**-**	**-**
Depreciation for the year	253.41	253.41
Eliminated on disposal of assets	-	-
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**
Net Carrying Amount :		
Balance as at 31st March, 2020	**632.21**	**632.21**
Balance as at 31st March, 2021	**159.45**	**159.45**

Silver Spark Apparel Limited
Notes to the consolidated financial statements

3 Other Intangible assets **(Rs. in lakhs)**

	Computer Software	Total	Intangible assets under development
Gross Block			
Closing Gross Carrying Amount		-	
Balance as at 31st March, 2019	**198.02**	**198.02**	**108.51**
Additions	612.85	612.85	504.34
Disposals	-	-	612.85
Capitalised during the year	-	-	-
Balance as at 31th March, 2020	**810.87**	**810.87**	**-**
Additions	**133.33**	133.33	
Disposals			
Balance as at 31th March, 2021	**944.20**	**944.20**	**-**
Accumulated Depreciation			
Balance as at 31st March, 2019	**61.85**	**61.85**	**-**
Additions	63.27	63.27	-
Disposals	-	-	-
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**	**-**
Net Block			
Balance as at 31th March, 2020	**685.75**	**685.75**	**-**
Balance as at 31th March, 2021	**576.60**	**576.60**	**-**

(a) Other than internally generated.
(b) Balance useful life as on 31st March 2021 is 2.5 years for addition in Computer Software.

Silver Spark Apparel Limited
Notes to the consolidated financial statements

		As at 31st March, 2021	As at 31st March, 2020
			(Rs. in lakhs)
4	**Other Financial assets**		
	(Unsecured, considered good)		
	Deposits with others	544.01	514.23
	Margin money deposits with bank*	296.22	297.36
	*(Held as lien by bank against bank guarantee)		
	Total	**840.23**	**811.59**

5 Other non-current assets

	As at 31st March, 2021	As at 31st March, 2020
		(Rs. in lakhs)
Capital advances	9.33	139.75
Prepaid Expenses - Deferred cost	7.77	12.73
Total	**17.10**	**152.48**

6 Inventories

	As at 31st March, 2021	As at 31st March, 2020
		(Rs. in lakhs)
Raw Materials	4,780.46	7,926.13
Raw Materials - In Transit	210.92	201.55
Work-in-progress	96.31	194.36
Finished goods	4,429.00	5,860.99
Stock-in-trade - In Transit	694.73	249.09
Stores and Spares	188.27	310.92
Loose Tools	-	6.83
Accumulated cost on Conversion contracts		
Completed	380.16	232.94
In Process	9.60	4.15
Total	**10,789.45**	**14,986.96**

Silver Spark Apparel Limited
Notes to the consolidated financial statements

7 Trade receivables

	As at 31st March, 2021	As at 31st March, 2020
		(Rs. in lakhs)
Considered good		
Unsecured		
Related parties [Refer note 39]	3,135.93	4,136.98
Other parties [Refer note 46]	5,984.30	8,131.93
Considered doubtful		
Other parties	291.48	13.76
Less: Allowance for bad and doubtful debts	(291.48)	(13.76)
Total	**9,120.23**	**12,268.90**

The movement in Allowance for bad and doubtful debts is as follows:

	As at 31st March, 2021	As at 31st March, 2020
		(Rs. in lakhs)
Balance as at beginning of the year	13.76	13.76
Allowance for bad and doubtful debts during the year	277.72	-
Trade receivables written off during the year	-	-
Balance as at the end of the year	**291.48**	**13.76**

Refer note 40 for information about credit risk and market risk of trade receivables.

8 Cash and cash equivalents

	As at 31st March, 2021	As at 31st March, 2020
		(Rs. in lakhs)
Cash on hand	6.69	11.96
Balances with Banks		
In current accounts(Refer Note 46)	863.24	178.81
Total	**869.93**	**190.77**

9 Bank Balances other than cash and cash equivalents

	As at 31st March, 2021	As at 31st March, 2020
		(Rs. in lakhs)
Margin Money Deposits	395.68	13.51
(Held as lien by bank against bank guarantee)		
Term deposits with original maturity of more than three months	24.85	-
Total	**420.53**	**13.51**

10 Loans

	As at 31st March, 2021	As at 31st March, 2020
		(Rs. in lakhs)
Loans to related parties (Refer Note 39)	3,000.00	-
Loans to employees	0.97	7.77
Total	**3,000.97**	**7.77**

Silver Spark Apparel Limited
Notes to the consolidated financial statements

11 Other financial assets

	As at 31st March, 2021	As at 31st March, 2020
		(Rs. in lakhs)
Unsecured		
Considered good		
Export benefit receivables	136.14	246.95
Interest receivable	67.66	34.06
Interest Subsidy receivable	-	92.24
Advances to related parties	-	-
Derivative financial instruments	-	-
Export benefits receivable, considered doubtful	142.92	63.47
Less: Allowance for bad and doubtful assets	(142.92)	(63.47)
Interest Subsidy receivable, considered doubtful	92.24	-
Less: Allowance for bad and doubtful assets	(92.24)	-
Total	**203.80**	**373.25**

12 Other current assets

	As at 31st March, 2021	As at 31st March, 2020
		(Rs. in lakhs)
Export incentive receivable, considered good(Refer Note 32B)	-	1,517.35
Advances to Suppliers(Refer Note 46)	499.47	784.52
Balances with government authorities, considered good	982.26	2,338.16
Prepaid expenses - Deferred Cost	4.96	7.60
Prepaid expenses	45.92	189.28
Other advances	24.21	28.09
Other assets	-	0.13
Export incentive receivable, considered doubtful	-	217.28
Less: Allowance for bad and doubtful assets	-	(217.28)
Balances with government authorities, considered doubtful	22.05	22.05
Less: Allowance for bad and doubtful assets	(22.05)	(22.05)
Total	**1,556.82**	**4,865.13**

Opening Provision	217.28	-
Less: Provision WrittenOff	-217.28	-
Closing Provision	-	

Silver Spark Apparel Limited
Notes to the consolidated financial statements

13 Equity Share capital

	As at 31st March, 2021	As at 31st March, 2020
		(Rs. in lakhs)
Authorised		
4,00,00,000 [31st March, 2020: 4,00,00,000] Equity Shares of Rs.10 each		
1,000,000 [31st March,2020: 1,000,000] Preference Shares of Rs.100 each		
Issued, subscribed and fully paid up		
8,964,300 [31st March, 2020: 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, 2021		As at 31st March, 2020	
	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 (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, 2021	As at 31st March, 2020
		(Rs. in lakhs)
Equity Shares of Rs. 10 each held by:		
8,964,300 Equity shares [March 31, 2020: 8,964,300 shares] held by Raymond Limited	89,64,300.00	89,64,300.00

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

	As at 31st March, 2021		As at 31st March, 2020	
	%	No. of Shares	%	No. of Shares
Equity shares held by Raymond Limited	100	89,64,300.00	100	89,64,300.00

14 Other equity **(Rs. in lakhs)**

	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Exchange Differences	
Balance as at 31st March, 2019	**129.49**	**3,803.55**	**8,476.03**	**(788.62)**	**11,620.45**
Profit for the year	-	-	(1,124.83)	-	(1,124.83)
Lease adjustments	-	-	(84.55)	-	(84.55)
Exchange differences on translating the financial statements of a foreign operation	-	-	-	(1,463.08)	(1,463.08)
Securities Premium on issue of Equity Shares	-	-	-	-	-
Capital reserve on purchase of assets of Celebration Apparel Ltd. Under slump sale (Refer Note 44A)	436.82	-	-	-	436.82
Other Comprehensive Income for the year (Re-measurement of defined benefit plans)	-	-	6.95	-	6.95
Total Comprehensive Income for the year	**436.82**	**-**	**(1,202.43)**	**(1,463.08)**	**(2,228.70)**
Balance as at 31st March, 2020	**566.31**	**3,803.55**	**7,273.60**	**(2,251.70)**	**9,391.76**
Profit for the year	-	-	(1,434.16)	-	(1,434.16)
Post Acquisition Impact on Reserves (Creation of Deferred Tax Assets on Loss of DMAPL)	-	-	-	-	-
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
	-	**-**	**(1,434.16)**	**485.23**	**(948.93)**
Balance as at 31st March, 2021	**566.31**	**3,803.55**	**5,839.44**	**(1,766.47)**	**8,442.83**

15 Non-Current Borrowings

(Rs. in lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Secured		
Term Loan From banks	4,073.42	5,802.66
	4,073.42	**5,802.66**
Unsecured		
Loans from Holding Company - Raymond Limited (*)	-	966.33
Total	**-**	**966.33**
Grand Total	**4,073.42**	**6,768.99**

16 Lease Liabilities

	As at 31st March, 2021	As at 31st March, 2020
Lease Liabilities	57.91	546.63
Total	**57.91**	**546.63**

Nature of Security and terms of repayment for Long Term secured

Nature of Security	**Terms of Repayment**
(i) Term loan amounting to Rs. 202.38 lakhs (Rs. 283.00 lakhs March 31,2020) is secured by first and exclusive charge on the moveable assets acquired out of the loan.	Repayable in 20 quarterly installments commencing from 18th October, 2016 and last installment due on 18th October, 2021. Rate of interest as at year end 9.95% (31st March,2020 :9.95% p.a.)
(ii) Term loan amounting to Rs. 6748.25 Lakhs (Rs. 8261.15 Lakhs March 31, 2020) is Secured by way of guarantee from Silver Spark Apparel Limited, India and short fall guaranteed by Raymond Limited, India.	Repayable in 145 installments which is due on various dates and Last installment is due on 19th Dec 2023. Rate of interest as at year end is 2.68% - 2.74% (31st March, 2020 : 4.20% - 5.32%).

* Unsecured Loan from holding company - Raymond Limited,was repaid during the year. Rate of Interest at the time of repayment was 10.50% p.a for Rs.766.33 lacs and 8.50% p.a. for loan amounting to Rs. 200 Lacs (Previous Year10.50% p.a. and 8.50% p.a. respectively.).

** Rate of interest is without considering interest subsidy under TUF scheme.

Note: Installment of loans falling due within next twelve months aggregating Rs. 2,877.21 Lakhs (Rs. 2,741.99 Lakhs March 31,2020) have been grouped under current maturities of long term debt. (Refer Note 21)

Term loan from banks is net of unamortised loan processing cost amounting to Rs. 0.38 lakhs (Rs. 0.50 lakhs March 31,2020)

17 Other Non-current Liability

		(Rs. in lakhs)
	As at 31st March, 2021	**As at 31st March, 2020**
Govt. Grant relating to assets	716.43	797.83
Other liabilities	8.45	-
Total	**724.88**	**797.83**

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

		(Rs. in lakhs)
	As at 31st March, 2021	**As at 31st March, 2020**
Secured		
(a) Loans repayable on demand from banks (Secured against first pari-passu charge on Stock, Receivables and Plant & Machinery)	5,577.28	9,448.84
Unsecured		
(a) Loan repayable on demand from bank	2,775.61	2,816.04
(b) Loan repayable on demand from related parties [Refer note 39]	1,000.00	1,500.00
Total	**9,352.89**	**13,764.88**

The carrying amount of financial and non-financial assets as security for secured borrowings are disclosed in Note 41

19 Lease Liabilities

		(Rs. in lakhs)
	As at 31st March, 2021	**As at 31st March, 2020**
Lease Liabilities	124.03	208.79
Total	**124.03**	**208.79**

Silver Spark Apparel Limited

Notes to the consolidated financial statements

20 Trade payables

(Rs. in lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Trade payables* [Refer note (a) below]		
Amounts due to related parties [Refer note 39]	11,487.20	11,277.63
Others [Refer note 46]	4,684.00	5,857.17
Amounts due to Small enterprise and micro enterprise	123.12	25.48
Total	**16,294.32**	**17,160.29**

*Includes Provision for Expenses

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, 2021	As at 31st March, 2020
a) The principal amount remaining unpaid to any supplier at the end of the year	123.12	25.48
b) Interest due remaining unpaid to any supplier at the end of the year	5.28	1.80
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	5.28	1.80
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	-	-

21 Other financial liabilities

(Rs. in lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Current maturities of long-term debt from banks (Refer Note 40)	2,877.21	2,741.99
Interest accrued but not due on borrowings	86.23	73.40
Salary and Wages payable	3,252.79	3,085.36
Derivative financial instruments	11.13	100.24
Payable to related parties [Refer note 39]	310.72	321.56
Income received in advance	16.94	-
Total	**6,555.02**	**6,322.55**

22 Other Current Liabilities

(Rs. in lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Advance from customers(Refer Note 46)	10.83	650.29
Statutory Dues	93.52	417.75
Govt Grant relating to assets	71.39	57.35
Total	**175.74**	**1,125.39**

23 Provisions

(Rs. in lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Provision for Gratuity [Refer Note 38]	656.76	636.47

Provision for Leave Entitlement	399.08	552.19
Total	**1,055.84**	**1,188.66**

Silver Spark Apparel Limited
Notes to the consolidated financial statements

24 Revenue from Operations

(Rs. in lakhs)

	Year ended 31St March, 2021	Year ended 31st March, 2020
Sale of Products		
Manufactured & Traded goods	42,945.57	57,213.78
Sales of Services		
(i) Job Work	3,092.82	6,778.57
Other operating revenue		
(i) Export Incentives, etc	613.63	2,020.21
(ii) Process waste sale	13.59	15.95
Total	**46,665.61**	**66,028.51**

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price :

(Rs. in lakhs)

	Year ended 31St March, 2021	Year ended 31st March, 2020
Contract Price	46,665.61	66,089.41
Less :		
Performance linked incentives / Discounts	-	60.90
	46,665.61	**66,028.51**

25 Other income

(Rs. in lakhs)

	Year ended 31St March, 2021	Year ended 31st March, 2020
Interest income	127.81	42.05
Gain Loss on Termination / Modification of Lease	106.97	-
Excess Provision written Back	203.85	-
Government Grant	67.36	59.14
Other non-operating income	0.50	2.67
Exchange Fluctuation - Others	-	553.03
Profit on sale of Investment	375.11	
Total	**881.60**	**656.89**

Silver Spark Apparel Limited
Notes to the consolidated financial statements

26 Cost of materials consumed

	Year ended 31St March, 2021	Year ended 31st March, 2020
	(Rs. in lakhs)	
Raw materials consumed		
Opening Stock	7,926.13	5,713.66
Purchases	19,800.75	39,130.52
Less : Closing Stock	4,780.46	7,926.13
Total	**22,946.42**	**36,918.05**

27 Purchase of Stock in Trade

	Year ended 31St March, 2021	Year ended 31st March, 2020
	(Rs. in lakhs)	
Purchase of Stock in Trade	109.29	111.11
Total	**109.29**	**111.11**

28 Changes in inventories of finished goods, Stock-in-Trade and work-in progress

	Year ended 31St March, 2021	Year ended 31st March, 2020
	(Rs. in lakhs)	
Opening inventories		
Finished goods	5,860.99	3,998.52
Work-in-progress	194.36	293.27
Accumulated cost of conversion contracts	237.09	505.82
	6,292.44	**4,797.61**
Closing inventories		
Finished goods	4,429.00	5,860.99
Work-in-progress	96.31	194.36
Stock-in-trade	-	-
Accumulated cost of conversion contracts	389.76	237.09
	4,915.07	**6,292.44**
Add: Inventories transferred from Celebration Apparel Ltd. under slump sale (Refer Note 44A)	**-**	**711.12**
Total	**1,377.37**	**(783.71)**

29 Employee benefits expense

	Year ended 31St March, 2021	Year ended 31st March, 2020
	(Rs. in lakhs)	
Salaries and wages	10,589.92	14,665.32
Contribution to provident funds and other funds	707.44	971.77
Defined benefit plan expense [Refer note 38]	358.94	272.25
Workmen and Staff welfare expenses	469.39	1,134.02
Total	**12,125.69**	**17,043.36**

Silver Spark Apparel Limited
Notes to the consolidated financial statements

30 Finance costs

	Year ended 31St March, 2021	Year ended 31st March, 2020
	(Rs. in lakhs)	
Interest expense on Term Loans (Net of interest subsidy under TUF Scheme of Rs.Nil Lakhs (Previous year Rs.1.70 Lakhs))	267.09	444.51
Interest expense on bank overdraft/ short term borrowings	695.03	778.59
Interest on Lease Liability	42.97	80.12
Total	**1,005.09**	**1,303.22**

31 Depreciation and amortization expense

	Year ended 31St March, 2021	Year ended 31st March, 2020
	(Rs. in lakhs)	
Depreciation on Property, Plant and Equipment [Refer note 2A]	1,776.40	1,771.98
Amortization on Intangible assets [Refer note 3]	242.47	63.27
Depreciation on Right of use Assets [Refer note 2B]	213.73	253.41
Total	**2,232.60**	**2,088.66**

32 Other Expenses

32A. Manufacturing and Operating Costs

	Year ended 31St March, 2021	Year ended 31st March, 2020
	(Rs. in lakhs)	
Consumption of stores and spare parts	612.83	1,138.75
Power and fuel	437.99	1,035.29
Job work charges	32.51	113.64
Repairs to buildings	109.42	83.39
Repairs to machinery	67.07	118.46
Other Manufacturing and Operating expenses	768.63	790.68
Total	**2,028.45**	**3,280.21**

Silver Spark Apparel Limited
Notes to the consolidated financial statements

32B. Other expenses

(Rs. in lakhs)

		Year ended 31St March, 2021	Year ended 31st March, 2020
Rent (Refer note 37)		189.72	283.06
Lease Rentals		-	-
Insurance		229.94	276.79
Repairs & Maintainence Others		1.21	36.45
Rates and Taxes		77.58	96.15
Advertisement Expenses		-	-
Commission to selling agents		560.84	491.68
Freight, Octroi, etc		807.21	2,096.91
Legal and Professional Expenses		433.50	791.00
Travelling & Conveyance		26.87	4.99
Sales Promotion expenses		-	0.89
Director Fees		2.50	15.00
Exchange Fluctuation - Others		267.41	-
Loss on sale of assets		98.03	-
Expenditure toward Corporate Social Responsibility (CSR) activities		135.00	-
Security Charges		283.03	241.75
IT Outsource Cost		60.77	68.42
Provision for doubtful other advances		-	22.05
Provision for MEIS receivable			217.28
Export Benefit receivable Written Off	1,789.20		
Less: Previous year MEIS Provision written back	(217.28)		
Export Benefit receivable Written Off in current year		1,571.92	-
Provision for Export Benefits receivable		142.92	63.47
Provision for Interest subsidy receivable		92.24	-
Corporate facility charges		455.67	548.73
Guarantee Commission		-	32.57
Bad Debts/Advances/Claims written off		-	205.86
Provision for doubtful debts		277.73	-
Miscellaneous Expenses		1,175.00	2,389.45
Total		**6,889.09**	**7,882.50**

33 Income Taxes

Tax expense recognised in the Statement of Profit and Loss

	Year ended 31st March, 2021	Year ended 31st March, 2020
		(Rs. in lakhs)
Current tax		
Current year	10.55	32.13
Total current tax	**10.55**	**32.13**
Deferred tax		
Origination and reversal of temporary difference	(217.14)	238.38
Change in tax rates	-	(303.68)
Total deferred income tax expense/(credit)	**(217.14)**	**(65.30)**
Total income tax expense/(credit)	**(206.59)**	**(33.17)**

A reconciliation between the statutory income tax rate applicable to the

Reconciliation of effective tax rate	Year ended 31st March, 2021	Year ended 31st March, 2020
		(Rs. in lakhs)
Profit before Tax	(1,640.75)	(1,158.00)
Enacted income tax rate in India	25.170%	25.170%
Income tax expenses as per enacted rate	(412.98)	(291.47)
Differences due to:		
Income not considered for tax purpose	(65.98)	-
Loss of subsidiary on which deferred tax asset is not recognised	220.18	775.76
Stock reserve on inter company transactions	-	-
Reversal of excess asset created on tax loss	-	-
Income tax incentives	-	-
Share issuance expenses	-	-
Expenses not deductable for tax purpose	52.19	-
Differences on account of change in applicable rate of tax	-	(303.68)
Others	-	(213.78)
	(206.59)	**(33.17)**
Effective tax rate*	**12.59%**	**0.00%**

*The difference in effective tax rate is on account of loss of foreign subsidiary on which deferred tax has not been created

The movement in deferred tax assets and liabilities during the year ended March 31, 2020 and March 31, 2021:

Movement of Deferred Tax Liabilities during the year ended March 31, 2020 and March 31, 2021: **(Rs. in lakhs)**

Particulars	As at 31st March, 2020	Credit/(charge) in statement of Profit and Loss	Credit/(charge) on additions from Celebration Apparel Ltd. Under slump sale	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2021
Provision for post retirement benefits and other employee benefits	416.18	(10.85)	-	-	405.33
Provision for doubtful debts and advances	68.40	2.50	-	-	70.90
Deferred tax on acquisition of R&A Logistics INC.	11.76				11.76
Expenses allowable for tax purposes when paid	176.05	80.11	-	-	256.15
Carried Forward losses	(405.12)	121.16			(283.96)
Temporary difference in Leases	(20.02)	(30.13)	-	-	(50.15)
Depreciation	(1,498.52)	29.68	-	-	(1,468.84)
Loss on sale of Fixed assets	-	24.67			24.67
Fair value gains/losses	404.03	-	-	(75.00)	329.03
	(847.25)	217.14	-	(75.00)	(705.11)

Silver Spark Apparel Limited
Notes to the consolidated financial statements

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, 2021	As at 31st March, 2020
Current Assets		
Cash and cash equivalents	34.29	48.52
Receivables	9,544.01	12,711.09
Inventories	8,796.93	12,798.71
Total Current assets pledged as security	**18,375.23**	**25,558.32**
Non-Current Assets		
Movable Assets		
Plant and Machinery	10,982.36	11,627.52
Furniture & fixtures	61.85	61.27
Vehicles	221.76	166.29
Office equipment	21.16	32.07
Total non-current assets pledged as security	**11,287.13**	**11,887.15**
Total assets pledged as security	**29,662.36**	**37,445.47**

Silver Spark Apparel Limited
Notes to the consolidated financial statements

35 Contingent liabilities and commitments (to the extent not provided for)

	As at 31st March, 2021	As at 31st March, 2020
		(Rs. in lakhs)
i) Contingent Liabilities		
Claims against the Company 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) #	66.73	66.73
	368.91	368.91

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 2012-13, for the demand of disallowances of depreciation and related expenses to the extent of Rs. 13.70 lakhs.

Demand has been raised of Rs. 37.3 Lakhs and 15.65 Lakhs by Commissioner Appeal for Assessment Year 2014-15 and Assessment Year 2017-18 respectively

The Company 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:

	As at 31st March, 2021	As at 31st March, 2020
		(Rs. in lakhs)
Property, plant and equipment	45.06	290.73
	45.06	**290.73**
Less: Capital advances	9.33	139.75
Net Capital commitments	**35.73**	**150.98**

(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	754.31	509.34
- Raw Materials	11,519.04	2,442.71
Total Other Commitments	**12,273.35**	**2,952.05**
Total Commitments	**12,309.08**	**3,103.03**

Silver Spark Apparel Limited

Notes to the financial statements

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	1,083.11
Leases of low value assets	-
Variable lease payments	-
Total	**1,083.11**

2 Additional profit or loss and cash flow information

Particulars	Amount
Income from subleasing ROU	-
Total cash outflow in respect of leases in the year	825.58

3 The undiscounted maturity analysis of lease liabilities at 31 March 2021 is as follows:

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Lease payments	Finance Charge	Lease payments	Finance Charge
Within1 year	239.40	11.62	564.05	54.63
1-2years	102.85	3.04	460.80	32.09
2-3years	-	-	350.52	8.77
3-4years	-	-	-	-
4-5years	-	-	-	-
5-10years	-	-	-	-
10-25years	-	-	-	-
Over 25years	-	-	-	-
Total	**342.25**	**14.66**	**1,375.37**	**95.49**

38 Post retirement benefit plans

As per Actuarial Valuation as on 31st March, 2021 and 31st March, 2020 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.707.44 Lakhs (31st March 2020: Rs.962.84 Lakhs).

B. Balance Sheet **(Rs. in lakhs)**

	Defined benefit plans	
	As at 31st March, 2021	As at 31st March, 2020
Present value of plan liabilities	926.52	1,079.91
Fair value of plan assets	269.76	443.45
Plan liability net of plan assets	656.76	636.46

C. Movements in plan assets and plan liabilities **(Rs. in lakhs)**

	Year ended 31st March, 2020		Year ended 31st March, 2020	
	Plan Assets	Plan liabilities	Plan Assets	Plan liabilities
As at 1st April	443.45	1,079.92	542.15	786.29
Current service cost	-	317.16	-	251.58
Obligation taken over during the year	-	-	-	-
Return on plan assets excluding amounts included in net	(10.50)	-	80.47	-
Difference in fair value of plan assets	-	-	-	-
Interest cost	29.09	70.87	43.39	64.06
Actuarial (gain)/loss arising from changes in financial assumptions	-	5.42	-	(33.92)
Actuarial (gain)/loss arising from experience adjustments	-	(313.88)	-	107.45
Employer contributions	5.00		(72.54)	-
Transferred In/Acquisitions			70.50	153.07
Benefit paid directly by the employer	-	(35.69)	-	-
Benefit payments	(197.28)	(197.27)	(220.52)	(248.61)
As at 31st March	269.76	926.52	443.45	1,079.92

The liabilities are based as per the plan participants as follows:
The weighted average duration of the defined benefit plans is 10 years (2019-20 : 10 Years)
The expected contribution to the funded plans in financial year 2021-22 : 481.38 Lacs (2020-21 : 675.50 Lacs)

D. Statement of Profit and Loss **(Rs. in lakhs)**

	Year ended 31st March, 2021	Year ended 31st March, 2020
Employee Benefit Expenses:		
Current service cost	317.16	251.58
Total	317.16	251.58
Finance cost/(income)	41.78	20.67
Net impact on the Profit / (Loss) before tax	358.94	272.25
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	(10.50)	80.47
Actuarial gains/(losses) arising from changes in financial assumptions	(5.42)	33.92
Experience gains/(losses) arising on pension plan and other benefit plan liabilities	313.88	(107.45)
Net impact on the Other Comprehensive Income before tax	297.96	6.94

E. Assets

(Rs. in lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Unquoted		
Insurer managed funds	269.76	443.45
Total	269.76	443.45

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, 2021	As at 31st March, 2020
Financial Assumptions		
Discount rate	6.49%	6.56%
Salary Escalation Rate	0% - 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, 2021			Year ended 31st March, 2020		
	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%	(72.36)	92.64	1%	(87.89)	102.46
Salary Escalation Rate	1%	82.19	(64.85)	1%	100.47	(79.21)
Attrition Rate	1%	(10.34)	11.25	1%	(21.07)	24.06

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, 2021 as follows:

(Rs. in lakhs)

Year ending 31 March,	Defined benefit obligation	
	As at 31st March, 2021	As at 31st March, 2020
1st following year	64.68	62.26
2nd following year	68.49	72.10
3rd following year	75.70	83.52
4th following year	76.24	90.65
5th following year	86.50	93.98
Thereafter	367.20	447.72

39 Related Party Disclosures as per Ind As-24

	Ownership Interest 31st March 2021
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
Raymond UCO Denim Private Limited
JK Investor Bombay 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
Smt. Rashmi Mundada
Shri Akshat Chechani(CS upto 07.09.2020)

d) Trust

Silver Spark Apparel Limited Employees Gratuity Fund

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

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
Income				
Job Work charges				
Raymond Limited	222.40			
	(798.51)	-		-
Raymond Apparel Limited		-		
		-		
Raymond (Europe) Limited		475.82		
		(130.81)		
Sales				
Raymond Limited	-			
	(1.91)			
Raymond (Europe) Limited		1886.67		
		(5246.84)		
Raymond Apparel Limited		968.48		
		(3001.27)		
Celebrations Apparel Limited		14.54		
		(994.54)		
Everblue Apparel Limited		10.62		
		-		
Compensation for rejection				
Raymond (Europe) Limited		5.78		
		-		
Export Script Sales				
Raymond Limited	26.98			
	(1508.15)	-	-	-
J K Files		-		
		(61.02)		
Others reimbursement				
Raymond Limited	11.49			
	(24.97)			
Celebrations Apparel Limited		-		
		(396.21)		
Raymond Apparel Limited		0.08		
		-		
Raymond Luxury Cottons Limited.		-		
		-		
Raymond (Europe) Limited		-		
		-		
Professional Fees				
	-	-	-	-
Purchase				
Raymond Limited	3,196.19			
	(13,907.02)			
Raymond Apparel Limited		-		
		(98.94)		
Raymond Luxury Cottons Limited.		1159.34		
		(602.27)		
Celebrations Apparel Limited		0.01		
		(219.51)		
Everblue Apparel Limited		6.34		
		-		
Raymond UCO Denim Private Limited			0.07	
			-	
Job Work Expenses				
Everblue Apparel Limited		0.12	-	
		-	-	
Fixed assets				
Raymond Limited	-			
	-			

Nature of Transactions	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above	Referred in 1 (d) above
Expenses				
Rent				
Raymond Limited	35.88			
	(35.88)			
Avani Agricultural Farms Private Limited			37.80	
			(37.80)	
Celebrations Apparel Limited		102.69		
		(34.23)		
Job Work charges				
Everblue Apparel Limited		0.12		
		-		
Deputation of staff				
Raymond Limited	-			
	(44.33)			
Commission				
Raymond (Europe) Limited		153.24		
		(176.20)		
Compensation for rejection				
Raymond (Europe) Limited		-		
		(52.46)		
Corporate facility expenses				
Raymond Limited	455.67			
	(540.75)			
Others reimbursement				
Raymond Limited	106.59			
	(502.67)			
Motor Vehicle Repair				
JK Investor Bombay Limited			3.59	
			-	
Raymond Lifestyle International DMCC		-		
		(208.66)		
Celebrations Apparel Limited		-		
		-		
Directors sitting fees:				
	-	-	-	-
Gautam Hari Singhania			1.00	
	-	-	(3.00)	
R.A.Prabhudesai			-	
	-	-	(4.00)	
R.Narayanan			-	
	-	-	(4.00)	
Rashmi Mundada			1.50	
	-	-	(4.00)	
Paid to Trust - Employees Gratuity Fund contribution				31.48
	-	-	-	(20.00)
Finance				
Advances given		-		
Raymond Lifestyle International DMCC, UAE		-		
	-	-	-	-
Advances repaid				
Raymond Lifestyle International DMCC, UAE		-		
Unsecured Loan taken				
Raymond Limited	-			
	(2000.00)			
JK Investor Bombay Limited			1000.00	
			-	
Ring Plus Aqua Limited		-		
		(1500.00)		
Unsecured Loan repaid				
Raymond Limited	966.33			
	(3707.96)	-	-	-
Ring Plus Aqua Limited		1500.00		
		-		
Unsecured Loan given				
Raymond Apparel Limited		3000.00		
		-		
Interest Expense				
Raymond Limited	8.17			
	(117.90)	-	-	-
Ring Plus Aqua Limited		85.58		
		(66.37)		
JK Investor Bombay Limited			8.15	
			-	
Interest Earned				
Raymond Apparel Limited		10.48		
		-		

Previous year's figures are in bracket.

(Rs. In Lakhs)

	31st March'21	31st March'20
Outstandings :		
Payable		
Holding Company		
Raymond Limited	10,704.08	9,591.95
Fellow Subsidiaries		
Raymond (Europe) Limited	97.58	214.63
Celebrations Apparel Limited	83.80	-
Raymond Apparel Limited	0.03	242.40
Everblue Apparel Limited	-	-
Raymond Luxury Cottons Limited.	589.99	1168.91
Ring Plus Aqua Limited	-	59.73
Key Management Personnel and their enterprises	-	-
JK Investor Bombay Limited	11.64	-
Raymond UCO Denim Private Limited	0.07	-
Receivable		
Holding Company		
Raymond Limited	136.23	374.70
Fellow Subsidiaries		
Raymond (Europe) Limited	383.75	1232.43
Raymond Apparel Limited	2615.94	1848.50
Celebrations Apparel Limited	-	686.94
Loans taken		
Holding Company		
Raymond Limited	-	500.00
JK Investor Bombay Limited	1000.00	
Loans Given		
Raymond Apparel Limited	3000.00	
Advances given		
Holding Company		
Raymond Limited	-	466.33
Fellow Subsidiaries		
Raymond Lifestyle International DMCC, UAE	-	220.59
Advances received		
Holding Company		
Raymond Limited	-	-
Fellow Subsidiaries		
Raymond (Europe) Limited	310.72	321.56
Ring Plus Aqua Limited	-	1500.00
Deposit Given		
Avani Agricultural Farms Private Limited	50.00	50.00
Celebrations Apparel Limited	51.34	51.34

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'21	As at 31st March'20
Borrowings bearing variable rate of interest	16,303.52	20,809.53

Interest rate sensitivity

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

(Rs. in lakhs)

	2020-2021	2019-2020
50 bp increase- decrease in profits	(81.52)	(105.20)
50 bp decrease- Increase in profits	81.52	105.20

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.

Derivative instruments and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date

(Foreign Currency in lakhs)

Particulars	As at 31st March,2021		As at 31st March,2020	
Forward contracts to sell USD	USD	24.18	USD	30.17
Forward contracts to sell EUR	EUR	-	EUR	-
Forward contracts to sell GBP	GBP	9.04	GBP	39.34
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, 2021

(Foreign Currency in lakhs)

Particulars	USD	EURO	HKD	JPY	GBP	AED
Trade payables	51.98	1.39	-	49.88	1.08	12.00
Trade receivable	34.31	11.07	-	374.35	-	-

As at 31st March, 2020

(Foreign Currency in lakhs)

Particulars	USD	EURO	HKD	JPY	GBP	SGD
Trade payables	56.50	0.52	-	200.35	0.48	1.59
Trade receivable	71.79	8.80	-	278.35	-	-

Foreign Currency Risk Sensitivity

A change of 1% in Foreign currency would have following Impact on profit before tax

(Rs. in lakhs)

	2020-2021		2020-2021	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	8.79	(8.79)	27.13	(27.13)
EURO	8.20	(8.20)	6.86	(6.86)
HKD	-	-	-	-
JPY	2.15	(2.15)	0.54	(0.54)
GBP	(1.09)	1.09	(0.45)	0.45
AED	(2.39)	2.39	(0.33)	0.33
SGD	-	-	-	-
Increase / (decrease) in profit or loss	15.66	(15.66)	33.75	(33.75)

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'21	As at 31st March'20
Not due	6,270.74	1,525.31
0-3 months	952.14	6,004.73
3-6 months	342.57	3,501.49
6 months to 12 months	1,134.06	1,089.91
beyond 12 months	420.72	147.46
Total	9,120.23	12,268.90

Movement in provisions of doubtful debts

(Rs. in lakhs)

	As at 31st March'21	As at 31st March'20
Opening provision	13.76	13.76
Add:- Additional provision made	277.73	-
Less:- Provision write off/ reversed	-	-
Closing provisions	291.49	13.76

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'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

(Rs. in lakhs)

	As at 31st March'20			
	0-1 years	**1-5 years**	**beyond 5 years**	**Total**
Long term borrowings (Including current maturity of long tern debt)	2,685.29	6,825.69	-	9,510.98
Short term borrowings	13,764.88	-	-	13,764.88
Expected Interest payable	246.16	103.57	-	349.73
Total	16,696.33	6,929.26	-	23,625.59

Maturity patterns of other Financial Liabilities

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	12,052.20	4,016.63	130.67	94.82	-	16,294.32
Lease liabilities	-	29.59	24.40	46.46	81.49	181.94
Other Financial liability (Current and Non Current)	445.64	2,077.08	-	1,138.15	-	3,660.87
Total	12,497.84	6,123.30	155.07	1,279.43	81.49	20,137.13

As at 31st March'20 **(Rs. in lakhs)**

	Overdue	**0-3 months**	**3-6 months**	**6 months to 12 months**	**beyond 12 months**	**Total**
Trade Payable	11,415.02	4,833.11	905.21	6.95	-	17,160.29
Lease liabilities	-	14.34	65.33	129.12	546.63	755.42
Other Financial liability (Current and Non Current)	-	1,979.19	-	1,601.36	-	3,580.55
Total	11,415.02	6,826.64	970.54	1,737.43	546.63	21,496.26

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 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'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													
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	-	6,543.89	6,543.89	-	-	-	-	-	-	-	-	6,543.89	6,543.89
Mark to market on derivative financial instruments*	-	11.13	11.13	-	11.13	-	11.13	-	-	-	-	-	11.13
	4,073.42	**32,202.23**	**36,275.65**	**-**	**11.13**	**-**	**11.13**	**-**	**-**	**-**	**-**	**36,264.52**	**36,275.65**

(Rs. in lakhs)

Financial Assets and Liabilities as at 31st March'2020				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	-	12,268.90	12,268.90	-	-	-	-	-	-	-	-	12,268.90	12,268.90
Cash and cash equivalents	-	190.77	190.77	-	-	-	-	-	-	-	-	190.77	190.77
Bank Balances other than Cash and Cash Equivalents	-	13.51	13.51	-	-	-	-	-	-	-	-	13.51	13.51
Loans	-	7.77	7.77	-	-	-	-	-	-	-	-	7.77	7.77
Other financial asset	811.59	373.25	1,184.84	-	-	295.76	295.76	-	-	-	-	889.08	1,184.84
												-	-
	811.59	**12,854.20**	**13,665.79**	**-**	**-**	**295.76**	**295.76**	**-**	**-**	**-**	**-**	**13,370.03**	**13,665.79**
Financial Liabilities													
Borrowings	6,768.99	13,764.88	20,533.87	-	-	-	-	-	-	-	-	20,533.87	20,533.87
Trade Payables	-	17,160.29	17,160.29	-	-	-	-	-	-	-	-	17,160.29	17,160.29
Other Financial Liabilities	-	6,222.31	6,222.31	-	-	-	-	-	-	-	-	6,222.31	6,222.31
Mark to market on derivative financial in	-	100.24	100.24	-	100.24	-	100.24	-	-	-	-	100.24	200.48
	6,768.99	**37,247.72**	**44,016.71**	**-**	**100.24**	**-**	**100.24**	**-**	**-**	**-**	**-**	**44,016.71**	**44,116.95**

*** 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, 2021		As at 31st March, 2020	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Trade Receivables	9,120.23	9,120.23	12,268.90	12,268.90
Cash and cash equivalents	869.93	869.93	190.77	190.77
Bank Balances other than Cash and Cash Equivalents	420.53	420.53	13.51	13.51
Loans	3,000.97	3,000.97	7.77	7.77
Other financial asset	748.27	748.27	889.08	889.08
	14,159.93	**14,159.93**	**13,370.03**	**13,370.03**
Financial Liabilities				
Borrowings	13,426.31	13,426.31	20,533.87	20,533.87
Trade Payables	16,294.32	16,294.32	17,160.29	17,160.29
Other Financial Liabilities	6,543.89	6,543.89	6,222.31	6,222.31
	36,264.52	**36,264.52**	**43,916.47**	**43,916.47**

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.

42 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.

43 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 *	7,087.83	1,367.69	39,577.78	64,660.82	46,665.61	66,028.51
Carrying cost of total segment assets**	36,285.86	45,197.31	12,172.55	13,822.14	48,458.41	59,019.45
Carrying cost of segment Non Current assets**@	14,726.78	16,953.15	6,929.65	8,548.42	21,656.43	25,501.57
Additions to Property, plant and equipments including Intangible Assets**	681.08	3,339.77	143.96	156.02	825.04	3,495.79

* 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, 2021	31st March, 2020
HLL Lifecare Ltd	5048.29	-
LI & FUNG Trading (Express)	8265.65	-
ETHIOPIAN PHARMACEUTICALS	1,377.70	-
Ministry of Education	1,432.10	-
Tailored Brands Worldwide Purchasing Co	3175.26	11,917.30
JCpenney Purchasing Corparation	4448.92	11,004.19
PeerlessClothing Inc.	-	5,950.32
Raymond (Europe) Limited	-	5,377.65
Express	-	5,200.98
Others	-	38,414.20
Total	**23,747.92**	**77,864.63**

Note:
During the period, one of Company's largest overseas customers has declared bankruptcy and has filed under Chapter 11 on May 15, 2020.
A Chapter 11 entitled Reorganization, is used by commercial enterprises in the US which desire to continue operating a business and repay creditors concurrently through a court-approved plan of reorganization.
Silver Spark Apparel Limited(SSAL) has a receivable of Rs 612.46 lacs as on 31st March 2021 against which Rs. 278.14 Lacs has been received subsequent to the Balance Sheet date and receivable in R & A Logistics, INC(R&A) of Rs 1144.58 lacs as on 31st March 2021 against which Rs. 688.27 Lacs has been received subsequent to the Balance Sheet date. SSAL receivable includes an amount of 277 lacs , which is prior to filing under Chapter 11 is still due and are covered under Export Credit Guarantee corporation (ECGC) policy.R&A has made provision of Rs 137.96 Lacs during current year against the above receivable.

44A Business transfer agreement

During the previous year, the Company had entered into a Business Transfer Agreement (BTA) with Celebration Apparel Limited (Both parties are wholly owned subsidiaries of same Holding companies i.e, Raymond Limited) for purchase of garmenting business by way of slump sale on going concern basis, with effect from 1st December, 2019 for a lump sum consideration of INR 5.00 Lacs. The Company had discharged the consideration in cash.

Accordingly, the Company has capitalised the tangible and intangible fixed asset at fair value and other assets and liabilities at book value in its books of account. The shortage of consideration paid over the value of assets and liabilities was recognised as gain on purchase of assets and liabilities on slump sale and has been transferred to reserve. The summary of assets and liabilities taken over and recognised pursuant to the BTA, is as under:

Particulars	Rs. In lakhs
Tangible Assets	896.58
Capital Work in progress	9.91
Current Assets	3,124.80
Other Current Assets	450.48
Other Financial assets	141.36
Loan from Holding Companies	(966.33)
Other current liabilities & Provisions	(2,778.19)
Other financial liabilities	(212.59)
Other Non-current liabilities	(96.94)
Net Assets Acquired	569.09
Total Consideration	(5.00)
Gain on Purchase of Assets on Slump Sale (Gross)	564.09
Deferred Tax Liabilities on Tangible Assets transferred (Refer Note 33)	(127.27)
Net Gain on Purchase of Assets on Slump Sale (Capital Reserve)	**436.82**

44B The National Company Law Tribunal (NCLT), Mumbai Bench, vide its order dated February 27, 2020 whose certified copy received on June 24, 2020 and filed with ROC on July 13, 2020, has approved Scheme of arrangement ("Scheme"), which comprises of demerger of Garmenting business Undertaking of Dress Master Apparel Private Limited (a wholly-owned subsidiary of Silver Spark Apparel Limited) with Silver Spark Apparel Limited with appointed date, January 01, 2020. Pursuant to the scheme all assets and liabilities (except Land and building) and income and expenses of Dress Master Apparel Private Limited has been transferred to Silver Spark Apparel Limited from the appointed date.

45 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 second half of the year, the Company remains watchful of the potential impact of COVID-19 pandemic, particularly the current “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.

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.

Silver Spark Apparel Limited
Notes to the consolidated financial statements

47 Earnings per share

	Year ended 31st March, 2021	**Year ended 31st March, 2020**
Earnings Per Share		
Profit/(Loss) for the year (Rs. in lakhs)	(1,434.16)	(1,124.83)
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	(16.00)	(12.55)
-Diluted	(16.00)	(12.55)

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

Sd/-
Lalit R. Mhalsekar
Partner
Membership No. 103418

Sd/-
Harishkumar Chatterjee
Director
DIN: 03560685

Sd/-
Krishnan Narayan
Director
DIN: 00950589

Place: Mumbai
Date: 3rd May 2021

Jaykayorg S.A.

Neuchâtel

Report of the statutory auditors to the General Meeting

on the financial statements 2020

pwc

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 2020.

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, 15 March 2021

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	2020	2019
Current assets		
Cash and cash equivalents	633'983	167'390
Trade receivables due from direct / indirect investments	439'433	636'564
Other current receivables due from group companies	100'000	0
Total current assets	**1'173'416**	**803'954**
Non-current assets		
Financial assets -	2'234'820	2'679'979
Long-term receivables from group companies	*900'000*	*1'000'000*
Long-term investments with a quoted market price	*1'334'820*	*1'679'979*
Investments	275'500	275'500
Property, plant and equipment	1'366	2'274
Total non-current assets	**2'511'686**	**2'957'753**
Total assets	**3'685'103**	**3'761'707**

Liabilities	2020	2019
Short-term liabilities		
Accrued expenses and deferred income	28'210	9'230
Total short-term liabilities	**28'210**	**9'230**
Total liabilities	**28'210**	**9'230**
Shareholders' equity		
Share capital	50'000	50'000
Legal reserves	25'000	25'000
Profit brought forward	3'677'482	3'651'838
(Loss) / Profit for the year	-95'589	25'644
Total shareholders' equity	**3'656'893**	**3'752'477**
Total liabilities	**3'685'103**	**3'761'707**

Jaykayorg AG, Neuchâtel

Profit and loss statement for the financial year ended 31 December (in Swiss francs)

	2020	2019
Commission received	219'585	445'862
Commission paid	-155'613	-88'745
Staff costs	-63'065	-65'794
Other operating expenses -	-190'286	-359'242
Marketing costs	*-106'049*	*-171'035*
Consultancy and development cost	*-32'696*	*-146'364*
Directors fees, accounting and audit	*-51'541*	*-41'843*
Depreciation to fixed assets	-912	-1'520
Operating Result	**-190'292**	**-69'440**
Financial income -	118'952	102'808
Profit on investment	*10'071*	*9'955*
Interest income	*60'163*	*59'999*
Exchange profit	*48'718*	*32'854*
Financial expenses -	-24'249	-7'724
Bank Charges	*-7'347*	*-7'724*
Exchange loss	*-16'902*	*0*
Result before taxes	**-95'589**	**25'644**
(Loss) / Profit for the year	**-95'589**	**25'644**

Notes to the 2020 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, 2020.

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 2020 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	2020 profit and loss statement	Balance sheet as at 31.12. 2020
GBP	1.2249	1.2130
USD	1.0824	0.8908
EUR	0.9573	1.0946

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 2020 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

		2019		2020	
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 2020 (2019 : 0.-)

2.3 Significant events occurring after the balance sheet date

None

Notes to the 2020 financial statements
(in Swiss francs)

3 Other information required by law

3.1 Impact of COVID-19

The COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections. Measures taken by various governments to contain the virus have affected economic activity. We have taken a number of measures to monitor and prevent the effects of the COVID-19 virus such as healthand safety measures for our people (like physical distancing and working from home) At this stage, the impact on our business and results is limited. We will continue to follow the Federal council policies and advice and in parallel will do our utmost to continue our operations in the best and safest way possible without jeopardizing the health of our people.

Retained earnings carried forward
(in Swiss francs)

	2020	2019
Retained earnings at the beginning of the period	3'677'482	3'651'838
(Loss) / Profit for the year	-95'589	25'644
Retained earnings available to the general meeting	**3'581'893**	**3'677'482**

Motion of the board of directors on the allocation of retained earnings
(in Swiss francs)

	2020 Motion of the board of directors	2019 Decision of the shareholders' meeting
Retained earnings available to the general meeting	**3'581'893**	**3'677'482**
Carried forward	**3'581'893**	**3'677'482**

Registered number: 00427594

RAYMOND (EUROPE) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

RAYMOND (EUROPE) LIMITED

COMPANY INFORMATION

Directors	G. H. Singhania V. P. 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 7-10 Chandos Street London W1G 9DQ

RAYMOND (EUROPE) LIMITED

CONTENTS

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

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 2019.

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 are not trading at their full capacity and it is anticipated that our turnover will continue to reduce during the pandemic. Whilst, this poses a challenge for the company in the short-term, the company has taken adequate steps to reduce cost by using the job retention scheme and arranging favourable paying terms with certain creditors to manage the cashflow. In addition, the company has substantial loan facilities available to manage any shortfall in the cashflow.

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.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

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:

	2020	2019	Variance
	£	£	%
Turnover	5,309,027	10,046,639	(47.16)
Gross profit margin	12.86%	11.80%	

This report was approved by the board and signed on its behalf.

Mukesh Mishra

....
M. Mishra
Director

Date: 30/4/2021 | 11:12 BST

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

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
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.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

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.

Mukesh Mishra

....

M. Mishra
Director

Date: 30/4/2021 | 11:12 BST

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 2020, 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 2020 and of its loss 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAYMOND (EUROPE) LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. 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.

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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAYMOND (EUROPE) LIMITED (CONTINUED)

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAYMOND (EUROPE) LIMITED (CONTINUED)

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;
- inspection of relevant legal correspondence;
- assessment of matters reported to management and the result of the subsequent investigation;
- obtaining an understanding of the relevant controls during the period;
- obtaining an understanding of the policies and controls over the recognition of income and testing their implementation during the year;
- review documentation relating to compliance with the regulations relating to Health and Safety and local employment law including certificates seen, insurance policy and health and safety statements.
- challenging assumptions made by management in their specific accounting policies and estimates, in particular in relation to depreciation of tangible fixed assets; provision for doubtful debt and carrying value of stock,
- 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;
- evaluating the underlying business reasons for any unusual transactions; and
- considered the implementation of controls during the year.

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.

Atul Mehta

Atulya Mehta FCCA (Senior statutory auditor)

for and on behalf of
Simmons Gainsford LLP

Chartered Accountants
Statutory Auditors

7-10 Chandos Street
London
W1G 9DQ
Date: 30/4/2021 | 14:20 BST

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Turnover	4	5,309,027	10,046,639
Cost of sales		(4,626,213)	(8,860,752)
Gross profit		682,814	1,185,887
Distribution costs		(178,852)	(322,265)
Administrative expenses		(600,122)	(755,621)
Other operating income		88,801	-
Operating (loss)/profit	5	(7,359)	108,001
Interest receivable and similar income		5	24
Interest payable and expenses		(73,330)	(75,141)
(Loss)/profit before tax		(80,684)	32,884
Tax on (loss)/profit	9	15,062	(7,033)
(Loss)/profit for the year		(65,622)	25,851

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2020 (2019:£NIL).

The notes on pages 13 to 24 form part of these financial statements.

RAYMOND (EUROPE) LIMITED
REGISTERED NUMBER: 00427594

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note		2020 £		2019 £
Fixed assets					
Tangible assets	10		-		528
			-		528
Current assets					
Stocks	11	506,797		893,022	
Debtors: amounts falling due after more than one year	12	66,505		68,357	
Debtors: amounts falling due within one year	12	1,637,032		3,425,548	
Cash at bank and in hand	13	912,110		504,920	
		3,122,444		4,891,847	
Creditors: amounts falling due within one year	14	(1,741,263)		(3,486,214)	
Net current assets			1,381,181		1,405,633
Total assets less current liabilities			1,381,181		1,406,161
Creditors: amounts falling due after more than one year	15		(819,425)		(778,783)
Net assets			561,756		627,378
Capital and reserves					
Called up share capital			1,000		1,000
Profit and loss account			560,756		626,378
			561,756		627,378

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:

Mukesh Mishra
....
M. Mishra
Director

Date: 30/4/2021 | 11:12 BST

The notes on pages 13 to 24 form part of these financial statements.

RAYMOND (EUROPE) LIMITED
REGISTERED NUMBER: 00427594

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2019	1,000	600,527	601,527
Comprehensive income for the year			
Profit for the year	-	25,851	25,851
At 1 January 2020	1,000	626,378	627,378
Comprehensive income for the year			
Loss for the year	-	(65,622)	(65,622)
At 31 December 2020	1,000	560,756	561,756

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.

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:

	2020 £	2019 £
Clothing wholesale	4,615,204	9,061,653
Commissions receivable	693,823	984,986
	5,309,027	10,046,639

Analysis of turnover by country of destination:

	2020 £	2019 £
United Kingdom	3,770,655	7,349,395
Rest of Europe	694,868	770,865
Rest of the world	843,504	1,926,379
	5,309,027	10,046,639

5. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2020 £	2019 £
Exchange differences	69,210	5,808
Other operating lease rentals	101,752	126,428

6. Auditors' remuneration

	2020 £	2019 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	15,000	15,500

Fees payable to the Company's auditor and its associates in respect of:

	2020 £	2019 £
All other services	2,794	1,898
	2,794	1,898

7. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Management	1	1
Marketing	2	2
Administrative	6	6
	9	9

8. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	86,667	100,000

The highest paid director received remuneration of £86,667 (2019 - £100,000).

9. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	-	6,777
Adjustments in respect of previous periods	(6,505)	-
	(6,505)	6,777
Total current tax	(6,505)	6,777
Deferred tax		
Origination and reversal of timing differences	(8,557)	256
Total deferred tax	(8,557)	256
Taxation on (loss)/profit on ordinary activities	(15,062)	7,033

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
(Loss)/profit on ordinary activities before tax	(80,684)	32,884
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(15,330)	6,247
Effects of:		
Capital allowances for year in excess of depreciation	(133)	(256)
Utilisation of tax losses	(6,777)	-
Non-taxable income less expenses not deductible for tax purposes, other than goodwill and impairment	-	786
Unrelieved tax losses carried forward	8,724	-
Other differences leading to an increase (decrease) in the tax charge	(1,546)	256
Total tax charge for the year	(15,062)	7,033

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 2020	43,885	98,176	142,061
At 31 December 2020	43,885	98,176	142,061
Depreciation			
At 1 January 2020	43,885	97,648	141,533
Charge for the year on owned assets	-	528	528
At 31 December 2020	43,885	98,176	142,061
Net book value			
At 31 December 2020	-	-	-
At 31 December 2019	-	528	528

11. Stocks

	2020 £	2019 £
Raw materials and consumables	199,702	251,644
Goods for resale	307,095	641,378
	506,797	893,022

12. Debtors

	2020 £	2019 £
Due after more than one year		
Trade debtors	41,793	43,613
Other debtors	24,712	24,744
	66,505	68,357

12. Debtors (continued)

	2020 £	2019 £
Due within one year		
Trade debtors	1,260,510	2,742,595
Amounts owed by group undertakings	311,056	323,980
Other debtors	7,682	185,181
Prepayments and accrued income	45,434	169,999
Deferred taxation	12,350	3,793
	1,637,032	3,425,548

13. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	912,110	504,920
Less: bank overdrafts	-	(689,858)
	912,110	(184,938)

14. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank overdrafts	-	689,858
Trade creditors	498,576	1,613,459
Amounts owed to group undertakings	16,350	39,229
Corporation tax	-	(1,471)
Other taxation and social security	290,128	306,418
Other creditors	87,155	19,345
Accruals and deferred income	849,054	819,376
	1,741,263	3,486,214

15. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Amounts owed to group undertakings	819,425	778,783
	819,425	778,783

16. Deferred taxation

	2020 £
At beginning of year	3,793
Charged to profit or loss	8,557
At end of year	12,350

The deferred tax asset is made up as follows:

	2020 £	2019 £
Accelerated depreciation	3,659	3,793
Tax losses carried forward	8,691	-
	12,350	3,793

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 £3,072 (2019 - £3,345) . Contributions totalling £1,194 (2019 - £807) were payable to the fund at the balance sheet date and are included in creditors.

18. Commitments under operating leases

At 31 December 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	27,613	85,640
Later than 1 year and not later than 5 years	-	27,613
	27,613	113,253

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 £905 (2019: £474) 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 2020

RAYMOND (EUROPE) LIMITED

**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Turnover		5,309,027	10,046,639
Cost Of Sales		(4,626,213)	(8,860,752)
Gross profit		682,814	1,185,887
Gross profit %		12.9 %	11.8 %
Other operating income		88,801	-
Less: overheads			
Selling and distribution expenses		(178,852)	(322,265)
Administration expenses		(600,122)	(755,621)
Operating (loss)/profit		(7,359)	108,001
Interest receivable		5	24
Interest payable		(73,330)	(75,141)
Tax on (loss)/profit on ordinary activities		15,062	(7,033)
(Loss)/Profit for the year		(65,622)	25,851

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Turnover		
Sales - Domestic	3,770,655	7,349,395
Sales - Other EU	267,017	656,931
Sales - Rest of world	577,532	1,055,327
Commissions receivable - Other EU	427,851	113,934
Commissions receivable - Rest of world	265,972	871,052
	5,309,027	10,046,639

	2020 £	2019 £
Cost of sales		
Opening stocks and work in progress	893,022	1,356,905
Closing stocks and work in progress	(506,797)	(893,022)
Purchases	3,568,362	7,534,564
Commissions payable	599,876	710,159
Discount allowed	71,750	152,146
	4,626,213	8,860,752

	2020 £	2019 £
Other operating income		
Government grants receivable	88,801	-
	88,801	-

	2020 £	2019 £
Selling and distribution expenses		
Promotion	84,564	168,547
Commission	1,185	805
Carriage	93,103	152,913
	178,852	322,265

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Administration expenses		
Directors salaries	86,667	100,000
Staff salaries	151,503	174,514
Staff national insurance	19,140	25,725
Staff pension current service costs (DC)	3,072	3,345
Motor running costs	7,894	5,331
Entertainment	(500)	4,959
Hotels, travel and subsistence	13,610	162,350
Printing and stationery	3,982	4,086
Telephone and fax	7,735	6,808
Computer costs	12,816	11,068
Trade subscriptions	5,510	5,634
Legal and professional	-	3,096
Auditors' remuneration	15,000	15,500
Auditors' remuneration - non-audit	2,794	1,898
Bank charges	16,796	7,040
Difference on foreign exchange	69,210	5,808
Sundry expenses	5,898	15,602
Rent - operating leases	101,752	126,428
Rates	42,300	45,337
Light and heat	2,284	2,714
Cleaning	1,246	1,969
Insurances	23,455	24,393
Repairs and maintenance	7,430	1,944
Depreciation - office equipment	138	24
Depreciation - fixtures and fittings	390	48
	600,122	755,621

	2020 £	2019 £
Interest receivable		
Bank interest receivable	5	24
	5	24

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Interest payable		
Bank overdraft interest payable	23,208	27,942
Other interest - on factored debts	50,122	47,199
	73,330	75,141

Hoque Bhattacharjee Das & Co.
Chartered Accountants

an independent member of XLNC

AUDITORS' REPORT
ON
FINANCIAL STATEMENTS
OF
RAYMOND LIFESTYLE (Bangladesh) PRIVATE LIMITED
FOR THE PERIOD ENDED 30 JUNE, 2020

Hoque Bhattacharjee Das & Co.
Chartered Accountants

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 Raymond Lifestyle (Bangladesh) Private Limited,which comprisethe Statement of Financial Position as at 30 June 2020, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows for the periodthen ended, and notes to the financial statements including a summary of significant accounting policies.

Inour opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at 30 June2020 and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

Basis forOpinion

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 forthe 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.

Cosmic Tower (9th Floor), 106/ka Naya Paltan, Box Culvert Road, Dhaka-1000
Phone: +880 2 9355401, Fax: +880 2 9355407, E-mail: info@hbdco.org, Web: 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, butis 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. ★ Chartered Accountants ★ Dhaka

Hoque Bhattacharjee Das & Co.

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, Dhaka
15th March 2021

Hoque Bhattacharjee Das & Co.
Chartered Accountants
Signed by
Avijit Bhattacharjee, FCA
Partner
Enrollment No. 824
DVC: 2104220824AS810003

Hoque Bhattacharjee Das & Co. Dhaka Chartered Accountants

Raymond Lifestyle (Bangladesh) Private Limited
Statement of Financial Position
As at 30 June 2020

Amount in	Notes	Taka
ASSETS		
Property, plant & equipments		-
Non-current assets		-
Cash and cash equivalents	4	50,34,700
Current assets		50,34,700
TOTAL ASSETS		**50,34,700**
EQUITY AND LIABILITIES		
Share capital	5	50,00,000
Retained earnings	6	(34,81,030)
Shareholders' equity		**15,18,970**
Current Liabilities	7	35,15,730
Liabilities		**35,15,730**
TOTAL EQUITY AND LIABILITIES		**50,34,700**

Signed in terms of our separate report of even date annexed

Pankaj Sa—

(SLP Sir)

Director **Managing Director**

Raymond Lifestyle (Bangladesh) Pvt. Ltd. Dhaka

As per our report of same date

Hoque Bhattacharjee Das & Co.
Chartered Accountants
Signed by
Avijit Bhattacharjee, FCA
Partner
Enrollment No: 824
DVC: 2104220824AS810003

Place: Dhaka
Date: 15th March 2021

Hoque Bhattacharjee Das & Co. Dhaka Chartered Accountants

Raymond Lifestyle (Bangladesh) Private Limited
Statement of Profit or Loss and Other Comprehensive Income
For the period 30th January 2020 to 30th June 2020

Amount in	**Notes**	**Taka**
Revenue income		-
Less: Cost of goods sold		-
Gross profit/(Loss)		-
Administrative expenses	8	34,81,030
Net Operating profit/(Loss)		**(34,81,030)**
Other income		-
Net profit/(loss) before tax		**(34,81,030)**
Less: Income tax provision		-
Net profit/(loss) after tax		**(34,81,030)**

Signed in terms of our separate report of even date annexed

Director (SLP Sir) **Managing Director**

As per our report of same date

Raymond Lifestyle (Bangladesh) Pvt. Ltd. Dhaka

Hoque Bhattacharjee Das & Co.
Chartered Accountants
Signed by
Avijit Bhattacharjee, FCA
Partner
Enrollment No: 824

Place: Dhaka
Date:

Hoque Bhattacharjee Das & Co. Dhaka Chartered Accountants

Raymond Lifestyle (Bangladesh) Private Limited
Statement of Cash Flows
For the period 30th January 2020 to 30th June 2020

Amount in		**Taka**
A.	**Cash flows from operating activities**	
	Net profit/(loss) before tax	(34,81,030)
	Operating gain before changes in working capital	**(34,81,030)**
	Changes in working capital	
	Increase in liabilities	35,15,730
	Increase in Advance, deposite & premayment	-
		35,15,730
	Net cash generated from operating activities	**34,700**
B.	**Cash flows from investing activities**	
		-
	Net cash used in investing activities	**-**
C.	**Cash flows from financing activities**	
	Share capital	50,00,000
	Net cash flow generated from financing activities	**50,00,000**
D.	**Net cash flow (A+B+C)**	**50,34,700**
	Cash and cash equivalents at beginning of the period	-
E.	**Cash and cash equivalents at end of the period**	**50,34,700**

Signed in terms of our separate report of even date annexed

Pankaj S

(SLP SIV)

Director **Managing Director**

Raymond Lifestyle (Bangladesh) Pvt. Ltd. Dhaka

As per our report of same date

Hoque Bhattacharjee Das & Co.
Chartered Accountants
Signed by
Avijit Bhattacharjee, FCA
Partner
Enrollment No: 824

Place: Dhaka
Date:

Hoque Bhattacharjee Das & Co. ★ Chartered Accountants ★ Dhaka

Raymond Lifestyle (Bangladesh) Private Limited
Statement of Changes in Equity
For the period 30th January 2020 to 30th June 2020

Amount in	Share capital	Share money deposits	Retained earnings	Taka
Balance as on 13 January 2020				-
Share capital	50,00,000			50,00,000
Share money deposits		-		-
Net profit/Loss during the period			(34,81,030)	(34,81,030)
Balance as on 30 June 2020	**50,00,000**	**-**	**(34,81,030)**	**15,18,970**

Signed in terms of our separate report of even date annexed

Pankaj

(SKP SIV)

Director | **Managing Director**

Raymond Lifestyle (Bangladesh) Pvt. Ltd. Dhaka

As per our report of same date

Hoque Bhattacharjee Das & Co.
Chartered Accountants
Signed by
Avijit Bhattacharjee, FCA
Partner
Enrollment No: 824

Place: Dhaka
Date:

Hoque Bhattacharjee Das & Co. Dhaka ★ Chartered Accountants ★

Raymond Lifestyle (Bangladesh) Private Limited
Notes to the Financial Statements
For the period 30th January 2020 to 30th June 2020

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) including with International Accounting Standards (IASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

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, 2020;

ii. Statement of Profit or Loss and Other Comprehensive income for the period ended 30 June, 2020;
iii. Statement of Cash Flow for the period ended 30 June, 2020;

iv. Statement of Changes in Equity for the period ended 30 June, 2020;

v. Notes, Summary of Significant Accounting Policies and other Explanatory Information

2.3 Reporting period

The financial statements of the Company cover from 30 January 2020 to 30 June 2020.

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.

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 information has not been disclosed in the current period's financial statements being the first year of the operation of the Company.

Raymond Lifestyle (Bangladesh) Pvt. Ltd. Dhaka

(SLP SIV)

Hoque Bhattacharjee Das & Co. Chartered Accountants Dhaka

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 2020. 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.
ii. There is no comparative figure due to new company.

Parcaj

(SLP SN)

Raymond Lifestyle (Bangladesh) Pvt. Ltd. Dhaka

Hoque Bhattacharjee Das & Co. Dhaka Chartered Accountants

Raymond Lifestyle (Bangladesh) Private Limited
For the period 13th January 2020 to 30th June 2020

		30 June 2020
4	**Cash and cash equivalents**	**Taka**
	Cash at Bank (SCB A/C- 9793-01)	50,34,700
		50,34,700

5 **Share Capital**

		30 June 2020
5.01	**Authorized Capital**	**Taka**
	1,150,000 Ordinary Share @ TK. 10	1,15,00,000
		1,15,00,000

		30 June 2020
5.02	**Issued, subscribed and paid-up Capital**	**Taka**
	500,000 Ordinary Share @ Tk. 10	50,00,000
		50,00,000

A. Position of Shares holding as at 30 June 2020

Name of the Shareholders	Nature of Shareholding	Nationality	Number of share	Share value	Percentage (%)	Taka
Raymond Limited	Company	Indian	4,99,999	10	99.9998%	49,99,990
Mr. Pankaj Saxena	Individual	Indian	1	10	0.00020%	10
			5,00,000		100%	50,00,000

		30 June 2020
6	**Retained Earning**	**Taka**
	Opning Balance	-
	Add: Profit/(loss) during the year	(34,81,030)
		(34,81,030)

		30 June 2020
7	**Current Liabilities**	**Taka**
	Payable to Reliance Trade International	28,29,737
	Payable to Khyrul Kabir	1,37,470
	Payable to Raymond Limited (7.01)	37,010
	Payable for withholding tax & VAT	4,36,513
	Provision for Audit fee	75,000
		35,15,730

7.01 This amount was received from Raymond Internation in excess of share capital.

Pankaj S

(SLP SW)

Raymond Lifestyle (Bangladesh) Pvt. Ltd. Dhaka

Hoque Bhattacharjee Das & Co. Chartered Accountants Dhaka

8 Administrative Expenses	For the period 30th January 2020 to 30th June 2020 Taka
Rent	24,45,263
Audit fee	86,250
Office maintenance expense- cook, cleaner	50,000
Registration fee	1,37,470
Bank charge	2,300
Postage & courier	2,81,084
Printing & stationery	24,750
Miscellaneous expenses	4,53,913
	34,81,030

(SLP SIV)

Raymond Lifestyle (Bangladesh) Pvt. Ltd. Dhaka

Hoque Bhattacharjee Das & Co. Dhaka ★ Chartered Accountants ★

R&A LOGISTICS, INC.
AUDITED FINANCIAL SATEMENTS
MARCH 31, 2021

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, 2021, 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, 2021, 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 27, 2021

R&A LOGISTICS, INC.
BALANCE SHEET
MARCH 31, 2021

ASSETS

Current Assets		
Cash in bank	$ 95,208	
Accounts Receivable	$ 2,114,448	
Accounts Receivable - Related Party	$ 381,694	
Total Current Assets		$ 2,591,350
Fixed and Other Assets		
Fixed assets net of accumulated depreciation and provision for impairment **(1)**	$ 38,114	
Security Deposit	$ 16,310	
Total Fixed and Other Assets		$ 54,424
Total Assets		**$ 2,645,774**

LIABILITIES & SHAREHOLDERS' EQUITY

Current Liabilities		
Accounts Payable	$ 75,259	
Accounts Payable - Related Party	$ 3,068,519	
Advance Against Sales	$ 11,560	
Accrued Expenses	$ 76,128	
Total Current Liabilities		$ 3,231,466
Short Term Loan - Related Party		$ 425,000
Total Liabilities		$ 3,656,466
Shareholders' Equity		
Equity Share Capital	$ 1,700,300	
Retained Earnings	$ (2,710,992)	
Total Shareholder's Equity		$ (1,010,692)
Total Liabilities & Shareholders' Equity		**$ 2,645,774**

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, 2021

Net Sales	$ 11,538,179
Cost of goods sold	$ 11,221,236
Gross profit	$ 316,943
Commission Income	$ 576,298
Net Revenues	$ 893,241
Depreciation Expense	$ 64,105
Selling General and Administrative Expenses	$ 921,050
Provision for Doubtful Debts	$ 299,428
	$ 1,284,583
(Loss) from Continuing Operations	$ (391,342)
Provision for Impairment of Fixed Assets **(1)**	$ 625,444
Net (Loss)	$ (1,016,786)
Retained earnings - beginning of year	$ (1,694,206)
Retained earnings - end of year	**$ (2,710,992)**

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, 2021

Cash Flows from Operating Activities:		
Net (loss)	$	(1,016,786)
Adjustments to reconcile net income (loss) to net cash used for operating activities:		
Depreciation	$	64,105
Reserve for Impariment of Fixed Assets **(1)**	$	625,444
Provision for Doubtful Debts	$	299,428
Changes in operating assets and liabilities:		
Accounts Receivable - Third Party	$	272,389
Accounts Receivable - Related Party	$	(74,126)
Advance Against Sales	$	11,560
Prepaid Expenses	$	49,560
Security Deposit	$	70,760
Accounts Payable - Third Party	$	38,099
Accounts Payable - Related Party	$	(245,076)
Accrued Expenses	$	41,112
Net cash provided by operating activities	$	1,153,255
Cash Flows from Investing Activities:		
Advances to Capital Goods Supplier	$	50,000
Purchases of Property and Equipment	$	(167,013)
Net cash used for investing activities	$	(117,013)
Increase (decrease) in cash and cash equivalents	$	19,456
Cash and cash equivalents, beginning of year	$	75,752
Cash and cash equivalents, end of year	$	95,208

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, 2021, the Company continued selling various types of men's garments, including suits, jackets, trousers, and shirts, to major U.S. clothing retailers. Also, the Company continued acting as an export sales agent for garment manfucaturers and wholesalers, primarily its Indian parent company, Silver Spark Apparel Ltd.

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 increased its allowance for doubtful accounts of accounts receivable as of March 31, 2021 by $299,428 to $335,042.

Inventories
No inventories are maintained by the Company as of March 31, 2021.

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.

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. Operating results for the fiscal year ended March 31, 2021 produced a net operating loss (NOL) for federal and state tax purposes which can be applied against future years' taxable income. Management has omitted reporting of a deferred tax asset and current year tax benefit of $718,106.

Subsequent Events
R&A Logistics, Inc. evaluated the effect subsequent events would have on the financial statements through April 30, 2021, 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, Jaykayorg AG, 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, 2021.

Accounts payable to SSAL	$ 2,066,535
Accounts payable to Silver Spark Middle East FZE	$ 1,001,983
Accounts receivable from SSAL	$ 381,694
Consulting and commission income received from SSAL	$ 576,298

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

The Company has terminated its lease of employee housing space effective with the current fiscal year. Current year rent for such premises was $132,510. An office in New Jersey was opened on September 1, 2020 for which rent expense in the current fiscal year was incurred of $11,200. This replaces the New York City office space.

Future minimum lease payments for the New Jersey office under the noncancellable operating lease as of March 31, 2021 are as follows:

FYE 2022	$19,200
FYE 2023	$8,000
	$27,200

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 all sales revenues and accounts receivable for the current fiscal year. The Company's commission and consulting revenue and related receivable all came from one customer, a related party (SSAL), during the year ended March 31, 2021

During the current fiscal period, the Company's largest customer had declared bankruptcy and under the U.S. bankruptcy law and court oversight has reorganized and resumed its operations. As a result the receivables from that customer prior to such reorganization have been reserved for non-collectibility in full.

R&A LOGISTICS, INC.
SUPPLEMENTAL BALANCE SHEET SCHEDULES
FOR THE YEAR ENDED MARCH 31, 2021

ACCOUNTS RECEIVABLE

Sundry Debtors - Domestic	$	2,449,490
Provision for Doubtful Debts	$	(335,042)
Total Accounts Receivable	**$**	**2,114,448**

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	$	(310,673)
Provision for Impairment of Fixed Assets	$	(625,444)
Total Fixed Assets Net of Accumulated Depreciation	**$**	**38,114**

R&A LOGISTICS, INC.
SUPPLEMENTAL PROFIT AND LOSS SCHEDULES
FOR THE YEAR ENDED MARCH 31, 2021

COST OF GOODS SOLD

COGS Traded Goods - Import	$	8,140,274
Carriage Inwards	$	452,660
Job Work Charges - Local	$	2,628,302
Total Cost of Goods Sold	**$**	**11,221,236**

SELLING GENERAL AND ADMINISTRATIVE EXPENSES

Salaries	$	395,942
Insurance	$	66,301
Legal Professional and Consulting	$	32,775
Legal Professional Certification and Fees	$	7,197
Bank Charges	$	30,438
Office General	$	23,200
Postage & Courier	$	7,843
Printing & Stationary	$	4,635
Telephone	$	2,225
Internet	$	3,827
Rates & Taxes	$	8,210
Rent Expense	$	178,099
Rent Premises Staff	$	132,510
Statutory Audit Fees	$	15,113
Travel Expense	$	12,735
Total General and Administrative Expenses	**$**	**921,050**

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

5th Audited Financial Statements
January 1, 2020 to March 31, 2021

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, 2021 and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the period from January 1, 2020 to March 31, 2021 (15 Months) 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, 2021 and of its financial performance and its cash flows for the period January 1, 2020 to March 31, 2021 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 27, 2021

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 March 31, 2021 All figures are expressed in Dirhams	Note		**As at 31.12.2019**
Non - Current Assets			
Investment in Equity of Subsidiary	3	62,858,267	29,820,287
Due from Subsidiary (Long Term)	4	16,092,751	45,218,832
		78,951,018	75,039,119
Current Assets			
Inventory	5	7,844,567	12,234,578
Trade Debtors	6, 9	8,352,554	6,006,572
Bank Balances		30,787	90,721
Deposits, Advances and Prepayments		717,830	1,170,114
Due From Related Parties	9	0	724,888
Sub Total	CA	16,945,738	20,226,873
Current Liabilities			
Bank Borrowings	7	27,501,241	26,678,563
Trade Creditors	9	15,356,356	10,598,674
Accruals		120,955	547,326
Due to Related Parties	9	0	2,764,809
Loan from Parent Company	9i	15,333,800	5,408,795
Sub Total	CL	58,312,352	45,998,167
Net Current Assets / Liabilities	CA-CL	-41,366,614	-25,771,294
Non Current liabilities			
Bank Borrowings	7	20,469,425	30,883,050
Net Assets		17,114,979	18,384,775
Shareholder's Equity			
Share Capital	1a	16,350,000	16,350,000
Additional Share Capital		1,093,181	1,093,181
Accumulated Profits		-328,202	941,594
Total		17,114,979	18,384,775

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 27, 2021 and signed On Behalf of the Board by

Kiran Kalbag

Kiran Vasant Kalbag
Director

سلفر سبارك ميدل ايست (م.ح.م)
P.O. Box: 513549
Sharjah - U.A.E.
SILVER SPARK MIDDLE EAST (FZE)

Auditor's Report Page - 2

PARAG PAREKH & CO CHARTERED ACCOUNTANTS
Dubai - U.A.E.

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Income Statement
Period : January 1, 2020 to March 31, 2021
All figures are expressed in Dirhams

	Note		Y.E. 31.12.2019
Sales		42,009,941	49,396,412
Cost of Sales	8	-39,334,222	-47,970,017
Gross Profit		2,675,719	1,426,395
Expenses			
Administrative Costs		887,759	271,328
Salaries & Benefits		151,815	209,145
Finance Cost	9i	2,905,941	1,446,617
Sub - total		3,945,515	1,927,090
Net (Loss) / Profit for the Year		**-1,269,796**	**-500,695**
Exceptional Items			
Due From Related Party Written Off	9v	0	-1,076,649
Amount transfer to Shareholder's Equity		**-1,269,796**	**-1,577,344**

On Behalf of Board of Directors

KiranKalbag

Mr Kiran Vasant Kalbag
Director

Auditor's Report Page - 2

سلفر سبارك ميدل ايست (م.م.ح)
P.O. Box: 513549
Sharjah - U.A.E.
SILVER SPARK MIDDLE EAST (FZE)

PARAG PAREKH & CO CHARTERED ACCOUNTANTS
Dubai - U.A.E.

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Statement of Changes in Equity
Period : January 1, 2020 to March 31, 2021

All figures are expressed in Dirhams

	Share Capital	Additional Capital	Accumulated Profits	Total
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
Balance as at 1.1.2019	16,350,000	1,093,181	2,518,938	19,962,119
Transfer from Income Statement	0	0	-1,577,344	-1,577,344
Balance as at 31.12.2019	16,350,000	1,093,181	941,594	18,384,775

PARAG PAREKH & CO CHARTERED ACCOUNTANTS Dubai - U.A.E.

SILVER SPARK MIDDLE EAST FZE

P.O.Box 513549, SAIF Zone, U.A.E.

Cash Flow Statement

Period : January 1, 2020 to March 31, 2021

All figures are expressed in Dirhams

				Y.E. 31.12.2019
I	**Cash Flow from Operating Activities**			
	Net Profit / (Loss)		-1,269,796	-1,577,344
	Finance Cost		2,905,941	1,446,617
	Operating Profit Before changes in operating assets and liabilities		1,636,145	-130,727
	Inventory		4,390,011	-2,867,402
	Trade Debtors		-2,345,982	-1,527,706
	Deposits, Advances and Prepayments		452,284	-123,976
	Trade Creditors		4,757,682	6,397,847
	Accruals		-426,371	460,426
	Cash Generated From Operations		8,463,769	2,208,462
	Finance Cost		-2,905,941	-1,446,617
	Net Cash used in Operating Activities		5,557,828	761,845
II	**Cash Flow from Investing Activities**			
	Investment in Equity of Subsidiary		-33,037,980	-3,579,877
	Due From Related party		724,888	579,803
	Due From Subsidiary		29,126,081	-3,828,750
	Net Cash used in Investing Activities		-3,187,011	-6,828,824
III	**Cash Flow from Financing Activities**			
	Import Financing (Trust Receipts)		-163,658	69,770
	Term Loans		-8,231,878	-2,063,585
	Loan from Parent Company		9,925,005	5,408,795
	Due to Related party		-2,764,809	887,040
	Net Cash from Financing Activities		-1,235,340	4,302,020
	Changes in Cash and Cash Equivalents	I+II+III	1,135,477	-1,764,959
	Cash and Cash Equivalents at the beginning		-14,160,970	-12,396,011
	Cash and Cash Equivalents at the end		-13,025,493	-14,160,970
			0	0

Supplemental Cash Flow Statement Information

Non-Cash Transactions	Nil	Nil

PARAG PAREKH & CO CHARTERED ACCOUNTANTS Dubai - U.A.E.

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Accounting Policies and Explanatory Notes
Period : January 1, 2020 to March 31, 2021

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.

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 Notarised Board Resolution dated March 24, 2021. Hence these financials are prepared for 15 months i.e. January 1, 2020 to March 31, 2021.

PARAG PAREKH & CO CHARTERED ACCOUNTANTS Dubai - U.A.E.

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.

PARAG PAREKH & CO CHARTERED ACCOUNTANTS
Dubai - U.A.E.

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.

	31.3.2021	**31.12.2019**
Bank Balances	30,787	90,721
Bank Overdraft	-13,056,280	-14,251,691
	-13,025,493	-14,160,970

3 **Investment in Equity of Subsidiary**	**31.3.2021**	**31.12.2019**
In Share Capital of Silver Spark Apparel Ethiopia PLC	62,858,267	735,200
In Additional Capital of Silver Spark Apparel Ethiopia PLC	0	29,085,087
	62,858,267	29,820,287

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.

(As at 31.12.2019 - Ethiopian Birr 4,200,000/- comprising 2,000 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 31.3.2021, USD 1 = ETB 40.371 / AED 1 = ETB 10.989 (As at 31.12.2019 - USD 1 = ETB 31.6489)

iv As per audited financials of the Subsidiary, its Net Profit for the year ended 31.12.2020 is ETB -2.3M (Previous year Net Loss is ETB 91.4M) and Total Equity as at 31.12.2020 is ETB 241.6M (as at 31.12.2019 is ETB 90.8M)

PARAG PAREKH & CO CHARTERED ACCOUNTANTS Dubai - U.A.E.

4	**Due from Subsidiary (Long term)**	**31.3.2021**	**31.12.2019**
	Represents Payments made on behalf of the WOS	16,092,751	45,218,832

5 Inventory (In Ethiopia)
(as certified, verified and valued by Management)
(Accounts are Integrated with Inventory in the ERP)

Raw Materials	6,784,655	9,820,962
Goods in Transit (Raw Materials)	1,059,912	2,413,616
Total	7,844,567	12,234,578

Inventory Ageing Report is not generated in the ERP

6 Trade Debtors

Related Parties	7,707,478	4,217,811
Others	645,076	1,788,761
	8,352,554	6,006,572

7 Bank Borrowings

Current Portion		
Overdraft	13,056,280	14,251,691
Import Financing (Trust Receipts)	898,594	1,062,252
Term Loans	13,546,367	11,364,620
	27,501,241	26,678,563
Non Current Portion		
Term Loans	20,469,425	30,883,050
	20,469,425	30,883,050

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 2.7% to 3.70% per annum over One Month Libor on Working Capital facilities.

PARAG PAREKH & CO CHARTERED ACCOUNTANTS Dubai - U.A.E.

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 is accounted in these books as an expense.

7.2 **RBL Bank, India**

Though facilities are sanctioned, there is no utilisation of any facilities as at the balance sheet date.

Total Combined facility from A and B is INR 45 crore.

A Letter of Credit Facility for INR 45 crores for the Purchase of Equipments by Subsidiary, Silver Spark Apparel Ethiopia PLC.

B Letter of Credit Facility for INR 35 crores for the Purchase of raw material with sublimits for Overdraft and working capital demand loans.

C **Facilities are secured by:**

i First Pari Passu Charge on all present and future assets excluding share investment in Silver Spark Apparel Ethiopia PLC.

ii Negative Lien on the share investment and assets in Silver Spark Apparel Ethiopia PLC.

iii Shortfall undertaking from Raymonds Ltd, India backed by Board Resolution.

iv Corporate Guarantee of Parent Company Silver Spark Apparel Limited, India.

8 **Cost of sales**	**31.3.2021**	**31.12.2019**
Raw Materials Consumed	23,091,951	28,251,755
Job Work Charges & Other Direct Expenses	15,681,456	19,718,262
Trading Cost of sales	560,815	0
	39,334,222	47,970,017

9 **Related Party**

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.

PARAG PAREKH & CO CHARTERED ACCOUNTANTS Dubai - U.A.E.

Transactions and Balances with Related Parties:

		31.3.2021	31.12.2019
i	**Silver Spark Apparel Ltd, India**		
	Loan from Related Party -Interest Bearing (Note)	15,333,800	5,408,795

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 @* ***12%*** *per annum and* ***8.75%*** *per annum on respective loans +2% on late payment.*

		31.3.2021	31.12.2019
	Trade Debtors	4,030,200	3,121,387
	Due to Related Party	0	2,643,023
	Trade Creditors	3,942,943	121,786
	Sales	12,397,794	13,925,012
	Purchase	0	121,786
	Interest Cost	1,575,988	278,240
	Guarantee Commission Expense	246,401	169,723
	Guarantee Commission Prepaid Expense	559,722	806,122
ii	**Raymond Limited, India**		
	Trade Creditors	8,204,819	7,542,281
	Goods in Transit (Asset)	1,059,912	2,413,616
	Purchase	7,606,845	6,737,177
iii	**Raymond America (RA Logistics Inc.), USA**		
	Trade Debtors	3,677,278	1,096,424
	Sales	24,156,317	23,793,957
	Claims & Compensation (under Admin Expense)	495,470	0
iv	**Silver Spark Apparel Ethiopia PLC**		
	Investments in Equity	62,858,267	29,820,287
	Due from Subsidiary (Long Term)	16,092,751	45,218,832
	Due from Related Party	0	724,888
	Trade Creditors	1,659,170	0
	Job Work Charges	14,381,585	16,423,586
	Sales Trading	554,928	0

PARAG PAREKH & CO CHARTERED ACCOUNTANTS Dubai - U.A.E.

v **Raymond Lifestyle International DMCC, Dubai, UAE.**

Due from Related Party	0	1,076,649
Less Written Off During the Year on its Liquidation	0	-1,076,649
Net Balance	0	0
Interest Earned		61,776

10 **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.

11 **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.

PARAG PAREKH & CO CHARTERED ACCOUNTANTS Dubai - U.A.E.

Customer Risk
During the year, 87% of sales are made to 2 Related Party Customers. (Previous year - 77% sale were made to 2 Related Party Customer).

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 %:	**31.3.2021**	**31.12.2019**
USA	44%	18%
India	48%	52%
Canada	8%	30%
	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.

12 **Bank Facilities***	**Bank**	**Utilisation**	**Limits**
Term Loan	SCB	34,015,792	44,040,000
Bank Overdraft (Sub Limit of LC /TR)	SCB	13,056,280	18,350,000
Import Financing (Sub Limit of LC / TR)	SCB	898,594	0
LC- Raw Materials & Overdraft, etc. (sub limits)	RBL	0	22,575,628

Bankers
Standard Chartered Bank, Dubai, UAE*
RBL Bank, India *

13 **Purchase Commitments and Contingent Liabilities**		**31.3.2021**	**31.12.2019**
Letters of Credits	SCB	1,065,047	381,844

14 **Previous Year's Figures**
Previous year's figures are re-grouped or re-arranged wherever necessary so as to confirm to the current period's presentation. Previous year's figures are presented for 12 months against current period's figures of 15 months hence they are not strictly comparable.

15 **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.

16 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.

SILVER SPARK

A Raymond INITIATIVE

SILVERS SPARK APPAREL ETHIOPIA PLC

INDEPENDENT AUDITORS' REPORT AND ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

ተስፋዬ ተፈሪ አንበሴ

Tesfaye Teferi Anbesse

ቻርተርድ ሠርቲፋይድ አካዉንታንትስ

Chartered Certified Accountants

የተመሰከረለት ኦዲት ድርጅት

Certified Audit Firm

P O Box 102297

E-mail: tesfayetef@gmail.com or teferi@ethionet.et

Tele: 0114672030; 0114671899; Mobile: 0911219104; Fax0114671962

4ኛ ፎቅ ፣ ጥበቡ ሕንጻ፣ ድሪም ላይነር ሆቴል ፊት ለፊት፣ መስቀል ፍላወር፣

አዲስአበባ፣ ኢትዮጵያ

4th Floor, Tibebu Building in front of Dream liner Hotel, Mesquel Flower,

Addis Ababa, Ethiopia

ተስፋዬ ተፈሪ አንበሴ
Tesfaye Teferi Anbesse
ቻርተርድ ሠርቲፋይድ አካውንታንትስ
Chartered Certified Accountants (UK)
Mob. 251-091-121 91 04 Tel. 011-467 20 30/18 99 Fax.011-467 19 62
102297 Addis Ababa, Ethiopia
E-mail: teferi@ethionet.et/ tesfayetef@gmail.com
የተመሰከረለት ኦዲት ድርጅት
Certified Audit Firm

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 2020 and the Statement of Income and expense 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 2020 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.

ተስፋዬ ተፈሪ አንበሴ
Tesfaye Teferi Anbesse
የተመሰከረለት ኦዲት ድርጅት
Certified Audit Firm
P.O.Box 102297 Addis Ababa, Ethiopia
E-mail: tesfayetef@gmail.com

The notes to the accounts form part of the financial statements and should be read in conjunction.

ተስፋዬ ተፈሪ አንበሴ
Tesfaye Teferi Anbesse
ቻርተርድ ሠርቲፋይድ አካውንታንትስ
Chartered Certified Accountants (UK)
Mob. 251-091-121 91 04 Tel. 011-467 20 30/18 99 Fax.011-467 19 62
✉ 102297 Addis Ababa, Ethiopia
E-mail: teferi@ethionet.et/ tesfayetef@gmail.com
የተመሰከረለት ኦዲት ድርጅት
Certified Audit Firm

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.

Tesfaye Teferi Anbesse
Certified Audit Firm

20 March 2021
Addis Ababa

The notes to the accounts form part of the financial statements and should be read in conjunction.

SILVER SPARK APPAREL ETHIOPIA PLC
BALANCE SHEET
AS AT DECEMBER 31, 2020

	Notes	Birr	Birr	2019 Birr
ASSET EMPLOYED				
Plant, Property and Equipment	2b, 3		289,034,570	312,972,195
Intangible asset	4		2,696,674	3,083,795
Pre-operating Expense	2d, 5		7,705,732	19,359,858
Other non-current asset	6		30,058,080	6,297,100
			329,495,056	341,712,948
CURRENT ASSET				
Inventory	7	47,135,104		18,406,638
Debtors and prepayments	2c, 2f, 8	52,698,842		13,877,963
Cash at bank	9	12,638,785		1,744,249
		112,472,731		34,028,850
CURRENT LIABILITY				
Trade payable	10	2,912,392		6,005,837
Service providers & other creditors	11	31,032,834		4,486,115
Provisions & Accruals	12	52,214,419		41,960,866
Related Party	2f, 13	-		1,163,408
		86,159,645		53,616,226
NET CURRENT LIABILITY			26,313,086	(19,587,376)
			355,808,142	322,125,572
REPRESENTED BY				
Capital	1		466,611,600	162,008,700
Share application money			-	156,137,405
Retained earnings (adverse)	14		(224,969,774)	(227,274,123)
			241,641,826	90,871,982
Silver Spark Middle East (FZE)	15		114,166,316	231,253,590
			355,808,142	322,125,572

The notes to the accounts form part of the financial statements and should be read in conjunction.

P O Box 192297 Addis Ababa, Ethiopia
E-mail: tesfayetef@gmail.com

SILVER SPARK APPAREL ETHIOPIA PLC
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Notes	Birr	Birr	2019 Birr
EXPORT INCOME	16		310,800,826	132,332,067
COST OF GOODS SOLD	17		(208,127,496)	(114,337,805)
GROSS PROFIT/(LOSS)			102,673,330	17,994,262
OTHER INCOME	18		137,352	250,626
			102,810,683	18,244,888
EXPENSES				
Selling and distribution	19	13,335,574		10,996,192
Administrative	20	69,992,486		78,982,838
Financial Charges	21	17,178,273		19,763,777
			(100,506,333)	(109,742,807)
PROFIT/LOSS FOR THE YEAR			2,304,349	(91,497,919)
RETAINED EARNINGS (ADVERSE) BROUGHT FORWARD			(227,274,123)	(135,776,204)
RETAINED EARNINGS (ADVERSE) CARRIED FORWARD			(224,969,774)	(227,274,123)

Tesfaye Teferi Ambosse
Certified Audit Firm
P.O.Box 192297 Addis Ababa, Ethiopia
E-mail: tesfayetef@gmail.com

The notes to the accounts form part of the financial statements and should be read in conjunction.

SILVER SPARK APPAREL ETHIOPIA PLC
STATEMENT OF CHANGE IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2020

	Paid up capital Birr	Share Application Money Birr	Retained earnings (adverse) Birr	Total Birr
Balance as at January 1, 2019	**4,200,000**	**153,330,778**	**(135,776,204)**	**21,754,574**
Addition	157,808,700	2,806,627	-	160,615,327
Loss for the year	-	-	(91,497,919)	(91,497,919)
Balance as at December 31, 2019	**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**

The notes to the accounts form part of the financial statements and should be read in conjunction.

ተስፋዬ ተፈሪ አምቦሶ
Tesfaye Teferi Amboso
የተመሰከረለት ኦዲት ድርጅት
Certified Audit Firm
P.O.Box 192297 Addis Ababa, Ethiopia
E-mail: tesfayetef@gmail.com

SILVER SPARK APPAREL ETHIOPIA PLC
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2020

	Note	Birr	Birr
Operating activities			
Loss for the year			**2,304,349**
Adjustment for:			
Depreciation and amortization		37,286,810	
Interest		8,500,018	
Operating profit/(loss) before changes in operating assets & liabilities			**45,786,828**
Changes in operating assets and liabilities:			
Increase in other non-current assets		(23,760,980)	
Decrease in stock		(28,728,466)	
Decrease in debtors		(38,820,879)	
Increase in trade payable		23,453,274	
Decrease in service providers & other creditors		-	
Increase in provisions & Accruals		10,253,553	
Decrease in related Party		(118,250,682)	
			(175,854,180)
Net cash flows generated from operating activities			**(127,763,003)**
Investing activities			
Capital injection		304,602,900	
Purchase of property and equipment		(1,307,938)	
Purchase of software		-	
Net cash flows used in investing activities			**303,294,962**
Financing activities			
Share application money		(156,137,405)	
Loan from SSME		-	
Interest on loan		(8,500,018)	
Net cash flows used in financing activities			**(164,637,423)**
Net increase in cash and cash equivalents			10,894,536
Cash and bank balances at January 1, 2020			1,744,249
Cash and cash equivalents at December 31, 2020			**12,638,785**

The notes to the accounts form part of the financial statements and should be read in conjunction.

Tesfaye Tefera Ambosse
Certified Audit Firm
P.O.Box 192297 Addis Ababa, Ethiopia
E-mail: tesfayetef@gmail.com

SILVER SPARK APPAREL ETHIOPIA PLC
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED DECEMBER 31, 2020

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%

The notes to the accounts form part of the financial statements and should be read in conjunction.

Tesfaye Tafari Ambasse
Certified Audit Firm
P.O.Box 192297 Addis Ababa, Ethiopia

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.

Certified Audit Firm
P.O.Box 192297 Addis Ababa, Ethiopia
E-mail: tesfayetef@gmail.com

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.

3. PLANT, PROPERTY AND EQUIPMENT

	Balance at January 1, 2020 Birr	Addition Birr	Transfer/ Reclassification Birr	Balance at December 31, 2020 Birr
COST				
Fencing	1,246,723	-	-	1,246,723
Plant & equipment	325,306,698	-	7,139,223	332,445,921
Furniture & fixtures	10,747,976	-	2	10,747,978
Vehicles	5,400,102	-	(2)	5,400,100
Office equipment	2,459,931	-	2	2,459,933
Computers	6,290,806	-	1,317,582	7,608,388
Capital Work In progress	7,148,869	1,307,938	(8,456,807)	-
	358,601,105	1,307,938	-	359,909,043
ACCUMULATED DEPRECIATION				
Fencing	96,041	69,714	-	165,755
Plant & equipment	37,518,703	20,926,094	-	58,444,797
Furniture & fixtures	3,328,223	1,612,270	-	4,940,493
Vehicles	1,753,958	810,016	-	2,563,974
Office equipment	392,620	369,104	-	761,724
Computers	2,539,365	1,458,365	-	3,997,730
	45,628,910	25,245,563	-	70,874,473
NET BOOK VALUE	312,972,195			289,034,570

4. INTANGIBLE ASSET

The balance represents cost of ERP software installed and being used in the Factory.

	Birr	Birr
Cost		3,871,225
Less: Previous year amortization	787,431	
Current year amortization	387,121	
		1,174,552
		2,696,674

የተፈ ተፈሪ አምበሳ
Tesfaye Teferi Ambesse
የተመሰከረለት ሒሳብ አዋቂ
Certified Audit...
P O Box 192297 Addis Ababa, Ethiopia
E-mail: tesfayetef@ymail.com

The notes to the accounts form part of the financial statements and should be read in conjunction.

5. PREOPERATING EXPENSE

	Balance as at December 31,2019 Birr	Addition Birr	Balance as at December 31,2020 Birr
Cost	46,489,135	-	46,489,135
Less: Amortization	27,129,277	11,654,126	38,783,403
	19,359,858	11,654,126	7,705,732

6. OTHER NON-CURRENT ASSET

i. The composition of the balance is as follows:

	Birr	2019 Birr
Security Deposit	5,265,058	6,297,100
Ethiopian Electric Utility deposit	112,000	-
Guarantee deposits – Ministry of Education	14,760,000	-
Bid bond deposits	9,850,100	-
YKK India Private Ltd	70,922	-
	30,058,080	6,297,100

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.

7. INVENTORY

		2019
	Birr	Birr
Fabric, trims and consumables	3,079,773	4,990,394
Finished Goods	36,477,491	7,744,830
Work in progress	819,457	1,187,179
Spare parts and others	6,758,383	4,484,235
	47,135,104	18,406,638

8. DEBTORS AND PREPAYMENTS

		2019
	Birr	Birr
Trade debtors - Silver Spark Middle East (FZE)	13,595,637	-
Trade debtors – domestic sales	35,167,346	-
Prepaid expenses	384,194	368,540
VAT Receivable	1,106,363	3,632,360
Advance to suppliers	2,445,302	1,609,106
Industrial Park Development Agency	-	8,267,957
	52,698,842	13,877,963

9. CASH AT BANK

		2019
	Birr	Birr
Commercial Bank of Ethiopia - USD A/C - 1000175832843	9,594	663,425
Commercial Bank of Ethiopia - ETB A/C - 1000177893238	460,361	3,455
Commercial Bank of Ethiopia-HIP-1000206023361	11,959,722	16,667
Commercial Bank of Ethiopia - Ret B - USD A/C 1000215663397	10,622	173,041
Commercial Bank of Ethiopia USD A/C 1000215662717	155,150	873,484
Cash on hand	43,336	14,177
	12,638,785	1,744,249

Tesfaye Teferi Ambosse
Certified Audit Firm
P O Box 192297 Addis Ababa, Ethiopia
E-mail: tesfayetef@gmail.com

10. TRADE PAYABLE

		2019
	Birr	Birr
Silver Spark Middle East (FZE)	-	5,411,580
JAS Holdings Garment solu	1,911,249	-
Ginchi Trading PLC	794,241	414,694
Atinafu Ayalew	93,452	161,257
Senait Alemu Bogele	113,450	13,073
Lewi General Trading	-	5,233
	2,912,392	6,005,837

11. SERVICE PROVIDERS & OTHER CREDITORS

		2019
	Birr	Birr
Panafric global plc.	389,646	1,685,443
Dita Transit & loss	283,421	869,015
Value Cargo PLC	943,022	750,914
Deneke Engidawork	18,476	227,732
M+R Logistics India Pvt Ltd	133,033	149,273
Siraaj Logistics and General Service	126,716	142,214
Logistics Service SARL	19,284	72,004
Haile & Alem international	253,267	61,309
ITL Ethiopia Labels Manufacturing PL	-	18,162
Le Havre Transit	135,894	-
Eleni Molla Tesfaye	-	10,754
Everest Apparel(Ethiopia)	27,397,929	-
DHL Worldwide Express Eth	119	-
Birhan Hitmetina	22,390	-
Ethiopian Electric Utility	108	-
Others	1,309,529	499,295
	31,032,834	4,486,115

Tesfaye Teferi Ambosse
Certified Audit Firm
P.O.Box 192297 Addis Ababa, Ethiopia
E-mail: tesfayetef@gmail.com

12. PROVISION & ACCRUALS

		2019
	Birr	Birr
Provision for Expenses	45,496,611	31,985,452
Salary and Wages payable	5,806,782	9,175,625
Withholding Tax	55,710	76,988
VAT Payable	2,820	-
Excise Duty Payable	1,504	-
PAYE(Pay as You Earn) WHT Payable	522,648	295,274
Pension Fund (Employee) Contribution Payable	127,850	166,423
Pension Fund (Employer) Contribution Payable	200,494	261,104
	52,214,419	41,960,866

13. RELATED PARTY

i. The balance is composed of the following:

		2019
	Birr	Birr
Silver Spark Apparel Ltd	-	1,163,408
	-	1,163,408

ii. 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. The balance represents value of capital goods supplied to 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.

Certified Audit Firm
P.O.Box 192297 Addis Ababa, Ethiopia
E-mail: tesfayetef@gmail.com

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
Cost of equipment purchased for SSAE PLC	-	156,051,039
Expenditures paid on behalf of SSAE PLC	114,166,316	75,202,551
	114,166,316	231,253,590

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	2019 Birr
CM--Trousers , Vest and Jacket	310,800,826	132,332,067

17. COST OF GOODS SOLD

	Birr	2019 Birr
Manufacturing cost		
Materials consumed	78,139,544	13,225,180
Wood Consumption	4,357,796	-
Direct labor	41,342,354	42,774,267
Depreciation	26,060,413	23,888,872
Factory shed rent	25,267,472	18,476,886
Light & power	2,970,323	7,771,004
Repair and maintenance	797,459	5,240,537
Miscellaneous	91,750	140,344
	179,027,111	111,517,090
Less: Decrease (Increase) in WIP	367,722	(250,907)
	179,394,833	111,266,183
Decrease (Increase) in finished products	28,732,661	3,071,622
	208,127,494	114,337,805

18. OTHER INCOME

		2019
	Birr	Birr
Sale of Process Waste	137,352	250,626

19. SELLING EXPENSE

		2019
	Birr	Birr
Export expenses	7,763,768	7,729,323
Testing/Certification/Inspection Fees	1,946,210	2,002,918
Courier charge -Sample	1,125,596	1,263,951
Claims & Compensation	2,500,000	-
	13,335,574	10,996,192

20. ADMINISTRATIVE EXPENSE

		2019
	Birr	Birr
Salaries & Wages	39,142,383	47,074,590
Rent	2,831,945	3,184,725
Per-operating expense – amortization	11,595,116	11,313,682
Travelling Expenses	4,137,351	4,873,077
Guest House Expenses	2,418,704	3,101,546
Insurance	1,317,579	1,855,243
Gardening & Park Maintenance	3,710,805	1,982,502
Printing And Stationery	891,221	1,256,709
Security Services	435,210	463,676
Communication	155,775	570,726
Car running & rental	588,297	646,532
IT outsourcing charges	289,240	323,879
Audit & professional Fees	1,003,571	585,831
Subscription	627,149	486,882
Housekeeping expense	671,065	796,956
Recruitment Expenses	-	32,573
Miscellaneous	177,075	433,709
	69,992,486	78,982,838

Tesfaye Teferi Anbesse
Certified Audit Firm
P.O.Box 192297 Addis Ababa, Ethiopia
E-mail: tesfayetef@gmail.com

The notes to the accounts form part of the financial statements and should be read in conjunction.

21. FINANCIAL CHARGE

a) This balance is composed of the following:

		2019
	Birr	Birr
Term loan interest	12,990,373	17,410,669
Bank service charge	1,343,750	836,920
Revaluation gain or loss	2,844,150	1,516,188
	17,178,273	19,763,777

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 Ambesse
Certified Audit Firm
P.O.Box 102297 Addis Ababa, Ethiopia
E-mail: tesfayetef@gmail.com