Raymond
LIMITED

REPORTS AND ACCOUNTS OF SUBSIDIARY COMPANIES

2022 - 23

REPORTS AND ACCOUNTS OF SUBSIDIARY COMPANIES 2022-23

CELEBRATIONS APPAREL LIMITED

ANNUAL REPORT 2022-23

BOARD OF DIRECTORS	:	SHRI M.L. BAPNA SHRI VISHAL BIST SHRI VIJAY PATIL
STATUTORY AUDITORS	:	M/S. M G M & COMPANY, CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	PLOT NO. 156/H NO. 2, VILLAGE ZADGAON, RATNAGIRI – 415612, MAHARASHTRA

CELEBRATIONS APPAREL LIMITED
(CIN: U18100PN2004PLC140524)

DIRECTORS' REPORT

To,
The Members
CELEBRATIONS APPAREL LIMITED

Your Directors take pleasure in presenting their Nineteenth Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2023.

1. FINANCIAL SUMMARY & HIGHLIGHTS OF PERFORMANCE

The Revenue from operations of the Company for the financial year 2022-23 was NIL (Previous Year: NIL). The Company earned a profit after tax of Rs. 57.05 Lakhs (Previous Year: profit after tax of Rs. 60.63 Lakhs) for the financial year 2022-23.

2. DIVIDEND

Your Directors do not recommend any dividend for the financial year 2022-23.

3. RESERVES

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

4. AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company have appointed Messrs M G M & Company, Chartered Accountants (ICAI Firm Registration Number 117963W/ Membership No.104633), as the Statutory Auditors of the Company for a term of five years from the conclusion of the Nineteenth Annual General Meeting till the conclusion of the Twenty Fourth Annual General Meeting of the Company, subject to the approval of the Members of the Company.

In this regard, M/s. M G M and Company, Chartered Accountants, (ICAI Firm Registration No: 117963W / Membership No.104633) have confirmed that they are eligible and qualified to be appointed as Statutory Auditors of the Company in terms of Section 139 of the Companies Act, 2013 and also satisfy the criteria provided in Section 141 of the Companies Act, 2013.

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

There has been no qualification, reservation or adverse remark or disclaimer made by the auditors in their audit report for the financial year ended March 31, 2023.

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, 2023 was Rs 2.71 crore divided into 27,10,000 equity shares of Rs 10/- each. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2023, none of the Directors of the Company hold shares or convertible instruments of the Company in their individual capacity.

7. PUBLIC DEPOSITS

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

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

9. DIRECTORS

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

Profile of Director being re-appointed at the ensuing AGM, as required by Secretarial Standard- 2 on General Meetings, is given in the notice of the ensuing AGM. The above re-appointment forms part of the Notice of the ensuing AGM and the resolution is recommended for members' approval.

Your Board presently consists of the following Directors:

S. No.	Name of the Director	Designation
1	Shri Vishal Bist	Non-Executive Director
2	Shri Vijay Patil	Non-Executive Director
3	Shri M. L. Bapna	Non-Executive Director

10. MEETINGS

During the year, Four Board Meetings were held as under and attendance of Board Members is given below:

Sr. No.	Name of Director	Date of Board Meeting			
		May 13, 2022	July 28, 2022	October 31, 2022	January 27, 2023
1	Shri Vishal Bist	✓	✓	✓	✓
2	Shri Vijay Patil	✓	✓	✓	✓
3	Shri M L Bapna	✓	✓	✓	✓

11. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188(1) of the Companies Act, 2013.

12. RISK MANAGEMENT

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

13. DIRECTORS' RESPONSIBILITY STATEMENT

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

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
ii. the Directors have selected such accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and profit of the company for that period;
iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
iv. the Directors have prepared the annual accounts on a going concern basis; and
v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and such systems are adequate and operating effectively.

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

As the Company had no manufacturing activities during the period under review, 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.

15. ANNUAL RETURN

As per Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and relevant Rules made thereunder, as amended from time to time, every Company is required to place a copy of the annual return on the website of the Company, if any, and the web-link of such annual return shall be disclosed in the Board's Report. Since the Company does not have a website, the said provision is not applicable to the Company.

16. PARTICULARS OF EMPLOYEES

The provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2023 is not applicable.

17. 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.

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 required number of employees on its payroll, the disclosure under the above act is not applicable.

20. SECRETARIAL STANDARDS

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

21. REPORTING OF FRAUDS

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

22. DISCLOSURES

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

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

23. RESIDUARY DISCLOSURES

During the year under review:

i. the Company has not issued equity shares with differential rights as to dividend, voting or otherwise. Hence, disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;

ii. the Company has not issued sweat equity shares to its employees. Hence, disclosure under Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;

iii. no Company has become or ceased to be its subsidiaries, joint ventures or associate companies. Hence, disclosure under Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is not applicable;

iv. provisions of Section 135 of the Companies Act, 2013 ('Act') is not applicable to the Company, hence disclosure under section 134(3)(o) of the Act is not applicable;

v. Company does not have any Independent Directors, hence disclosure under section 134(3)(d) of the Act is not applicable;

vi. Company does not fall under provisions of 178 of the Act, hence disclosure under section 134(3)(e) of the Act is not applicable;

vii. Company does not fall under provisions of Rule 8(4) of the Companies (Accounts) Rules, 2014, hence disclosure under section 134(3)(p) of the Act is not applicable;

viii. the provisions of Section 125(2) of the Act, do not apply as there was no unclaimed dividend in the previous years.

ix. there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable.

x. Company was not required to maintain the cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act were not applicable for the business activities carried out by the Company.

24. ACKNOWLEDGEMENT

The Board records its grateful appreciation for the co-operation, support and valuable guidance received from banks, central and state government authorities, customers and suppliers.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF CELEBRATIONS APPAREL LIMITED

	Sd/-	**Sd/-**
	M. L. Bapna	**Vijay Patil**
Mumbai	**Director**	**Director**
May 2, 2023	**DIN: 06383502**	**DIN: 07173161**

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Celebrations Apparel Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Celebrations Apparel Limited** (the Company), which comprise the Balance sheet as at 31st March, 2023, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023 and its profit, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of Companies Act, 2013 and the rules thereunder and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained in sufficient and appropriate to provide a basis for our opinion.

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibility

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

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

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

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Other Matter

The financial statements of the Company for the financial year ended 31st March, 2022 were audited by another auditor who expressed an unqualified opinion on those financial statements, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the standalone financial statements. Our audit report is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

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

   d) In our opinion, the financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

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

   I. The Company does not have any pending litigations which would impact its financial position.

   II. The company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.

   III. There have been no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

   IV. (a) Management has represented to us that , to the best of its knowledge and belief, and as disclosed in the notes to the accounts no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

V. The Company has not declared or paid any dividend during the year ended 31st March 2023.

3. 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 MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

Sd/-
CA Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: 02/05/2023
UDIN: 23104633BGTYIO5612

“ANNEXURE A” REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF CELEBRATIONS APPAREL LIMITED

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

(i) In respect of Property, Plants and Equipments:

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plants and Equipments and intangible assets.

b) As explained to us, considering the nature of the Property, Plants and Equipments, the same have been physically verified by the management at reasonable intervals during the year as per the verification plan adopted by the company, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us and the records produced to us for our verification, no material discrepancies were noticed on such physical verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

d) As per the information provided to us, the company has not revalued its Property, Plant and Equipments and Intangible assets during the year. Accordingly, paragraph 3(i)(d) of the Order is not applicable.

e) As per the information & explanations and representation given to us by the management, there is no proceedings initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder. Accordingly, reporting under Clause 3(i)(e) of the order is not applicable to the Company

(ii)

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no inventories held in the name of the Company. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.

b) The company has not been sanctioned working capital limits in excess of five crore rupees at any point of time of the year, in aggregate, from banks or financial institutions. Accordingly, paragraph 3(ii)(b) of the order is not applicable.

(iii) According to the information and explanations given to us, the Company has not made investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, paragraph 3(iii) of the order is not applicable.

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

(v) In our opinion, and according to the information and explanations given to us, No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.

(vi) According to the information and explanations given to us, the Central Government under sub-section (1) of Section 148 of the Act has not prescribed maintenance of cost records in respect of the activities carried out by the company.

(vii)

a) According to the information and explanations given to us and on the basis of our examination, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Income Tax, Goods and Service Tax and other material statutory dues as applicable to the Company with the appropriate authorities.

   No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at 31st March, 2023 for a period of more than six months from the date they became payable:

b) According to the records of the Company, there are no dues of Income Tax, Goods and Service tax which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination, there is no unrecorded transaction which have been surrendered and disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

(ix)

a) In our opinion and according to the information and explanations given to us, the company has not raised any term loans during the year. Accordingly, reporting under clause 3(ix)(a) of the Order is not applicable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

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

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

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company does not have any subsidiary or associate company as defined under the companies Act, 2013. The company does not hold any investment in any joint venture (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) of the Order is not applicable.

f) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company does not have any subsidiary or associate company as defined under the companies Act, 2013. The company does not hold any investment in any joint venture (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x)

a) According to the information and explanations given to us and on the basis of our examination, the Company has not raised any money by way of initial public offer / further public offer / debt instruments.

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

(xi)

a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us, no whistle blower complains were received by 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.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to appoint internal auditors as per the act and rules made thereunder. Accordingly, reporting under clause 3(xiv) of the Order is not applicable.

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

(xvi)

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

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

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

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

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditor during the year and accordingly this clause is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

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

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

For MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

Sd/-
Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: 02/05/2023
UDIN: 23104633BGTYIO5612

"ANNEXURE B" REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF CELEBRATIONS APPAREL LIMITED

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

We have audited the internal financial controls over financial reporting of Celebrations Apparel Limited ("the Company") as of 31 March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

Sd/-
Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: 02/05/2023
UDIN: 23104633BGTYIO5612

Celebrations Apparel Limited

Plot No. 156, H. No. 2, Village Zadgaon, Ratnagiri, Maharashtra - 415 612
CIN: U18100PN2004PLC140524

Balance Sheet as at 31st March 2023

(Rs. in Lakhs)

	Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Investment Property	2	373.99	394.64
2	**Current assets**			
	(a) Financial Assets			
	(ii) Cash and cash equivalents	3	7.03	8.96
	(iii) Other Financial Assets	4	240.45	151.57
	(b) Other current assets	5	0.64	1.45
	TOTAL ASSETS		**622.11**	**556.62**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	6A	271.00	271.00
	b) Other equity	6B	285.91	228.86
2	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Trade payables	7		
	a)Total outstanding dues of micro and small enterprises		-	-
	b)Total outstanding dues of other than (a) above		1.63	1.50
	(ii) Other financial liabilities	8	51.40	51.56
	(b) Other current liabilities	9	0.06	0.32
	c)Liablities for current tax	14	12.11	3.38
	TOTAL EQUITY AND LIABILITIES		**622.11**	**556.62**

Statement of significant accounting policy 1
The accompanying notes are an integral part of these financial statements

As per our attached Report of even date

For M G M & Company
Chartered Accountants
Firm Registration Number: 0117963W

For and on behalf of Board of Directors

Sd/-
Mangesh Katariya
Partner
Membership Number: 104633
Date : 02/05/2023
Place: Pune

Sd/-
Mithulal Bapna
Director
DIN : 06383502
Date : 02/05/2023
Place: Mumbai

Sd/-
Vijay Patil
Director
DIN : 07173161

Celebrations Apparel Limited
Plot No. 156, H. No. 2, Village Zadgaon, Ratnagiri, Maharashtra - 415 612
CIN: U18100PN2004PLC140524

Statement of Profit and Loss for the year ended 31st March 2023

(Rs. in Lakhs)

	Particulars	Note	Year ended 31st March 2023	Year ended 31st March 2022
I	Other Income	10	102.97	105.03
	Total Income		**102.97**	**105.03**
II	**EXPENSES**			
	Employee benefits expense	11	3.40	3.46
	Depreciation and amortization expense	12	20.65	20.73
	Other expense	13	4.17	0.91
	Total Expenses		**28.22**	**25.10**
III	**Profit / (loss) before tax**		**74.75**	**79.93**
IV	**Tax expense**			
	Current tax/MAT tax	14	17.70	19.30
V	**Profit/(Loss) for the year (III-IV)**		**57.05**	**60.63**
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss		-	-
VII	**Total Comprehensive Income for the year (V+VI)**		**57.05**	**60.63**
	Earnings per equity share of Rs. 10 each :			
	Basic (In Rs.)	22	2.11	2.24
	Diluted (In Rs.)	22	2.11	2.24

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 M G M & Company
Chartered Accountants
Firm Registration Number: 0117963W

Sd/-
Mangesh Katariya
Partner
Membership Number: 104633
Date : 02/05/2023
Place: Pune

For and on behalf of Board of Directors

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Mithulal Bapna
Director
DIN : 06383502
Date : 02/05/2023
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Sd/-
Vijay Patil
Director
DIN : 07173161

Celebrations Apparel Limited
Plot No. 156, H. No. 2, Village Zadgaon, Ratnagiri, Maharashtra - 415 612
CIN: U18100PN2004PLC140524

Cash Flow Statement for the year ended 31st March 2022

(Rs. in Lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
A. Cash flow arising from Operating Activities		
Profit before exceptional items & tax from continuing operations	**74.75**	**79.93**
Adjustments for:		
Interest Income	(0.28)	(2.26)
Depreciation and amortisation	20.65	20.73
	20.37	**18.47**
Operating cash before Working Capital changes	**95.12**	**98.40**
Changes in working capital		
(Increase)/Decrease in Trade receivables	-	28.35
(Increase)/Decrease in Other current assets and financial assets	(88.07)	(96.93)
Increase/(Decrease) in Trade payables	0.13	(59.96)
Increase/(Decrease) in Other current financial liabilities	(0.16)	(0.14)
Increase/(Decrease) in Other liabilities	(0.26)	0.31
	(88.36)	**(128.37)**
Increase/(decrease) in liability in current tax	(8.97)	28.12
Net Cash inflow / (outflow) in the course of Operating activities (A)	**(2.21)**	**(1.85)**
CASH FLOW FROM INVESTING ACTIVITIES:		
Interest Income	0.28	2.26
Net Cash outflow in the course of Investing activities (B)	**0.28**	**2.26**
Net Increase / (Decrease) in Cash and Cash equivalents (A+B)	(1.93)	0.41
Add: Balance at the beginning of the year	8.96	8.55
Cash and Cash equivalents at the close of the year	**7.03**	**8.96**

The accompanying notes are an integral part of these financial statements

Note: 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

As per our attached Report of even date
For M G M & Company
Chartered Accountants
Firm Registration Number: 0117963W

For and on behalf of Board of Directors

Sd/-
Mangesh Katariya
Partner
Membership Number: 104633
Date : 02/05/2023
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DIN : 07173161

Celebrations Apparel Limited

Plot No. 156, H. No. 2, Village Zadgaon, Ratnagiri, Maharashtra - 415 612
CIN: U18100PN2004PLC140524

Statement of Changes in Equity

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

Particulars	Note	Amount
As at 31 March 2021	7A	271.00
As at 31 March 2022		271.00
As at 31st March 2023		271.00

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

Particulars	Note	Reserves & Surplus (Retained Earnings)
Balance As at 31st March, 2021		**168.23**
Changes in accounting policy or priorperiod errors	7B	**-**
Profit for the year		60.63
Other Comprehensive Income for the year		-
Total Comprehensive Income for the year		60.63
Balance As at 31st March, 2022		**228.86**
Changes in accounting policy or priorperiod errors	7B	**-**
Profit for the year		57.05
Other Comprehensive Income for the year		-
Total Comprehensive Income for the year		57.05
Balance As at 31st March, 2023		**285.91**

As per our attached report of even date

For M G M & Company
Chartered Accountants
Firm Registration Number: 0117963W

Sd/-
Mangesh Katariya
Partner
Membership Number: 104633
Date : 02/05/2023
Place: Pune

For and on behalf of Board of Directors

Sd/-
Mithulal Bapna
Director
DIN : 06383502
Date : 02/05/2023
Place: Mumbai

Sd/-
Vijay Patil
Director
DIN : 07173161

Notes forming part of the financial statements for the year ended 31st March, 2023

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I. Background

Celebrations Apparel Limited ('CAL' or 'the Company') CIN 'U18100PN2004PLC140524' incorporated in India carries on business of trading of shirts. It has its network of operations in local as well foreign market. Celebration Apparel Limited is a 100% subsidiary of Raymond Limited.

II. Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS

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

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

(ii) Historical cost convention

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

(iii) Current non-current classification

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

(iv) Rounding of amounts

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

(v) Recent Accounting Development / Pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its 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.

Notes forming part of the financial statements for the year ended 31st March, 2023

(c) Investment Property

Property that is held for long-term rental yields or for capital appreciation or for both, and that is not occupied by the Company, is classified as Investment Property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment, if any.
Depreciation on building is provided over its useful life using Straight Line Method (SLM), in a manner similar to PPE.

(d) Cash and Cash Equivalents

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

(e) Inventories

Inventories of Raw Material, Work in Progress, Finished Goods and Stores & Spares are stated at 'Cost or Net realizable value whichever is lower'. Goods-In-Transit are stated 'at cost'. Cost comprises all cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used is 'Weighted Average cost'. All the costs incurred on unfinished/finished jobs, but not invoiced and dispatched, under conversion contracts, are carried forward as "Accumulated Costs on Conversion Contracts" at cost or net realizable value whichever is lower. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on past experience of the company.

(f) Investments and other financial assets

(i) Classification

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

* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
* those measured at amortised cost.

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

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

(ii) Measurement

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

Debt instruments:

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

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

Notes forming part of the financial statements for the year ended 31st March, 2023

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

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

(iii) Impairment of financial assets
The company assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

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

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

(v) Income recognition
Interest income
Interest income from debt instruments is recognised using the effective interest rate method.

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

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

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

(i) Financial Liability

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

Notes forming part of the financial statements for the year ended 31st March, 2023

(ii)Derecognition of Financial Liabilities

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

(j) Provisions and contingent liabilities

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

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

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

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

(k) Revenue recognition

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

As per IND AS 115 - Revenue from Contracts with Customers, entity shall recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service.

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

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

Other operating revenue - Export incentives

Export Incentives under the “Duty Draw back Scheme”, "Merchandise Exports Incentive Scheme (MEIS)" etc. is accounted in the year of export.

Sales Return

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

(l) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees’ services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An acturail valution is obtained at the end of reproting period.The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Notes forming part of the financial statements for the year ended 31st March, 2023

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and
(b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

Defined Contribution Plans

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

Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b)when the company recognises costs for are structuring that is within the scope of Ind AS37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(m) Foreign currency transactions

Functional and presentation currency

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

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

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

(n) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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

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

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

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

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

Notes forming part of the financial statements for the year ended 31st March, 2023

(o) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

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

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

(p) Segment Reporting:

The Company's business activity falls within a single primary business segment . Accordingly, the Company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment".

(q) Accounting Policy- Cash Flow:

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

III. Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of asets and liabilities within the next financial year, are described below:

1) Useful life of Property, Plant and Equipment including intangible asset: Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively,if appropriate.
2) Taxes: The Company provides for tax considering the applicable tax regulations and based on probable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.
The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company
against which such assets can be utilized.
3) Provisions and Contingent liabilities are reviewed at each balance sheet date and adjusted to reflect best estimate.

Notes forming part of the financial statements for the year ended 31st March, 2023

2 Investment Property

(Rs. In Lakhs)

Particulars	Freehold Land	Buildings	Total
Balance As at 31st March, 2021	**58.66**	**481.46**	**540.12**
Additions			-
Disposals			-
Balance As at 31st March, 2022	**58.66**	**481.46**	**540.12**
Additions			-
Disposals			-
Balance As at 31st March, 2023	**58.66**	**481.46**	**540.12**
Accumulated Depreciation			
Balance As at 31st March, 2021	**-**	**124.75**	**124.75**
Charge for the period	-	20.73	20.73
Disposals	-		-
Balance As at 31st March, 2022	**-**	**145.48**	**145.48**
Charge for the period	-	20.65	20.65
Disposals	-		-
Balance As at 31st March, 2023	**-**	**166.13**	**166.13**
Net Carrying Amount			
Balance As at 31st March, 2023	**58.66**	**315.33**	**373.99**
Balance As at 31st March, 2022	58.66	335.98	394.64

Note :

(a) Fair value of Investment Properties Land is Rs. 2178.50 Lacs (approx.) (PY Rs. 2178.50 Lacs (approx.) and Building Rs. 1009.33 (approx.)(PY Rs. 1009.33 (approx.)) - Total Rs. 3187.83 Lacs (approx.) as at 31st March 2023.(PY Rs. 3187.83 Lacs (approx.))

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

(Rs. In Lakhs)

Particulars	2022-23	2021-22
Rental Income	102.69	102.69
Operating expense for property	20.65	20.73

Notes forming part of the financial statements for the year ended 31st March, 2023

3 Cash and cash equivalents

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with Banks		
In current accounts	7.03	8.96
Total	**7.03**	**8.96**

4 Other Financial Assets

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(Unsecured, considered good)		
Other Receivable from Related Party(Refer Note 16)	240.45	151.57
Total	**240.45**	**151.57**

5 Other current assets

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance with Government Authorities, considered good	0.64	0.64
Other advances	-	0.81
Total	**0.64**	**1.45**

Notes forming part of the financial statements for the year ended 31st March, 2023

6A Equity Share capital

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Authorised		
50,000,000 [31st March, 2022: 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, 2022: 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)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	27,10,000	271.00	27,10,000	271.00
Balance as at the end of the year	**27,10,000**	**271.00**	**27,10,000**	**271.00**

b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shares held by Holding Company

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raymond Ltd. (along with Nominees)	27,10,000	27,10,000

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

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	%	No. of Shares	%	No. of Shares
Raymond Ltd.	100	27,10,000	100	27,10,000

Notes forming part of the financial statements for the year ended 31st March, 2023

6B Other Equity *(Rs. In Lakhs)*

Particulars	Reserves & Surplus (Retained Earnings)
Balance As at 31st March, 2021	**168.23**
Profit for the year	60.63
Other Comprehensive Income for the year (Remeasurement of Net Defined Benefit Plans)	-
Total Comprehensive Income for the year	60.63
Balance As at 31st March, 2022	**228.86**
Changes in accounting policy or prior period errors	**-**
Profit for the year	57.05
Other Comprehensive Income for the year (Remeasurement of Net Defined Benefit Plans)	-
Total Comprehensive Income for the year	57.05
Balance As at 31st March, 2023	**285.91**

Notes forming part of the financial statements for the year ended 31st March, 2023

7 Trade payables

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade payables*		
Amounts due to micro and small enterprise	-	-
Others	1.63	1.50
Total	**1.63**	**1.50**

*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.

8 Other financial liabilities

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Salary and Wages payable	0.06	0.22
(b) Security Deposits received	51.34	51.34
Total	**51.40**	**51.56**

9 Other Current liabilities

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Statutory dues	0.06	0.32
Total	**0.06**	**0.32**

Notes forming part of the financial statements for the year ended 31st March, 2023

10 Other income

(Rs. In Lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Interest income	0.28	2.26
Exchange Fluctuation Gain (Net)	-	0.08
Rent Income	102.69	102.69
Total	**102.97**	**105.03**

11 Employee benefits expense

(Rs. In Lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Salaries and wages	3.11	3.17
Contribution to provident funds and other funds	0.22	0.21
Workmen and Staff welfare expenses	0.07	0.08
Total	**3.40**	**3.46**

12 Depreciation and amortization expense

(Rs. In Lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Depreciation on Investment Property/Property, Plant and Equipment (Refer note 2)	20.65	20.73
Total	**20.65**	**20.73**

13 Other expense

(Rs. In Lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Insurance	1.77	-
Rates and Taxes	0.05	0.05
Legal and Professional Expenses	1.46	0.85
Miscellaneous Expenses	0.89	0.01
Total	**4.17**	**0.91**

Notes forming part of the financial statements for the year ended 31st March, 2023

14 Income taxes

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

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Current tax		
Current year	17.70	19.30
MAT credit entitlement	-	-
Total current tax	**17.70**	**19.30**
Deferred tax		
Origination and reversal of temporary difference	-	-
Change in tax rates		
Total deferred income tax expense/(credit)	**-**	**-**
Total income tax expense/(credit)	**17.70**	**19.30**

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

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Reconciliation of effective tax rate		
Profit Before Tax	74.75	79.93
Enacted income tax rate in India	26.00%	26.00%
Tax Amount	19.44	20.12
Differences due to:		
Expenses not deductible for tax purpose	(1.74)	(0.82)
Total	**17.70**	**19.30**
Effective tax rate	**23.68%**	**24.15%**

15 Contingent liabilities/Contigent Assets

The company donot have any contingent liabilities/contingent assets/any pending litigation as at end of the year.

Notes forming part of the financial statements for the year ended 31st March, 2023

16 Related Party disclosures as per Ind AS - 24

1. Relationships

a. Holding Company - Raymond Limited

b. Fellow Subsidiary Companies

Silver Spark Apparel 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 :

(Rs in lakhs)

Nature of Transactions	Referred in 1 (a) above	Referred in 1 (b) above
Income		
	-	
Rent Income	-	
Silver Spark Apparel Limited	-	102.69
	-	(102.69)

(Previous year figures are in brackets)

Particulars	31st March, 2023	31st March, 2022
Outstandings :		
Other receivable		
Fellow Subsidiaries		
Silver Spark Apparel Limited	240.45	151.59
Deposit Taken		
Silver Spark Apparel Limited	51.34	51.34

Celebrations Apparel Limited
Plot No. 156, H. No. 2, Village Zadgaon, Ratnagiri, Maharashtra - 415 612
CIN: U18100PN2004PLC140524

Notes forming part of the financial statements for the year ended 31st March, 2023

17. 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

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, 2023	Amortised Cost			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 Financial Assets	-	240.45	240.45	-	-	-	-	-	-	-	-	240.45	240.45
Cash and Cash equivalents	-	7.03	7.03	-	-	-	-	-	-	-	-	7.03	7.03
	-	**247.48**	**247.48**	-	-	-	-	-	-	-	-	**247.48**	**247.48**
Financial Liabilities													
Other Financial Liabilities	-	51.40	51.40	-	-	-	-	-	-	-	-	51.40	51.40
Trade Payables	-	1.63	1.63	-	-	-	-	-	-	-	-	1.63	1.63
	-	**53.03**	**53.03**	-	-	-	-	-	-	-	-	**53.03**	**53.03**

(Rs. In Lakhs)

Financial Assets and Liabilities as at 31st March, 2022	Amortised Cost			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 Financial Assets	-	151.57	151.57	-	-	-	-	-	-	-	-	151.57	151.57
Cash and Cash equivalents	-	8.96	8.96	-	-	-	-	-	-	-	-	8.96	8.96
	-	**160.53**	**160.53**	-	-	-	-	-	-	-	-	**160.53**	**160.53**
Financial Liabilities													
Other Financial Liabilities	-	51.56	51.56	-	-	-	-	-	-	-	-	51.56	51.56
Trade Payables	-	1.50	1.50	-	-	-	-	-	-	-	-	1.50	1.50
	-	**53.06**	**53.06**	-	-	-	-	-	-	-	-	**53.06**	**53.06**

Notes forming part of the financial statements for the year ended 31st March, 2023

17. Fair Value measurement

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

(Rs. In Lakhs)

Financial Assets and Liabilities	As at 31st March, 2023		As at 31st March, 2022	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Other Financial Assets	240.45	240.45	151.57	151.57
Cash and Cash equivalents	7.03	7.03	8.96	8.96
	247.48	**247.48**	**160.53**	**160.53**
Financial Liabilities				
Other Financial Liabilities	51.40	51.40	51.56	51.56
Trade Payables	1.63	1.63	1.50	1.50
	53.03	**53.03**	**53.06**	**53.06**

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.

Notes forming part of the financial statements for the year ended 31st March, 2023

18 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.

The Company has no borrowings as at March 31, 2023 and March 31, 2022 and thus the Company does not foresee any interest rate risk.

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.

The Company has no receivables or payables in foreign currency as at March 31, 2023 and March 31, 2022 and thus the Company does not foresee any foreign currency risk.

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 .

Notes forming part of the financial statements for the year ended 31st March, 2023

18 Financial risk management objectives and policies

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.

Financial assets are considered to be of good quality and there is no increase in credit risk.

Liquidity Risk

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

Maturity patterns of other Financial Liabilities

As at 31st March, 2023 **(Rs in lakhs)**

	Overdue	0-3 months	3-6 months	6 months to 12 months	Beyond 12 months	Total
Trade Payable	-	1.63				1.63
Other Financial liabilities	-	51.56	-		-	51.40
Total	**-**	**53.19**	**-**	**-**	**-**	**53.03**

As at 31st March, 2022

	Overdue	0-3 months	3-6 months	6 months to 12 months	Beyond 12 months	Total
Trade Payable	-	1.50				1.50
Other Financial liabilities	-	51.56	-		-	51.56
Total	**-**	**53.06**	**-**	**-**	**-**	**53.06**

Notes forming part of the financial statements for the year ended 31st March, 2023

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.

20 Other statutory information

1 DETAILS OF BENAMI PROPERTY HELD

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

2 RELATIONSHIP WITH STRUCK OFF COMPANIES

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

3 WILLFUL DEFAULTER

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

4 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

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

5 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

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

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

8 UNDISCLOSED INCOME

The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

9 REVALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

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

10 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

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

Notes forming part of the financial statements for the year ended 31st March, 2023

21 The ratios for the years ended March 31, 2023 and March 31, 2022 are as follows:

Particulars	Year ended 31st March 2023	Year ended 31st March 2022	Numerator	Denominator	Variation	Reasons
Current Ratio(in times)	3.81	2.85	Current assets	Current liabilities	33%	The Current ratio has increased from 2.85 to 3.81 as current assets has gone up from Rs 161.98 lacs as on Mar 22 to 249.03 lacs as on Mar 23 and Current liability has increased from Rs 56.76 lacs as on Mar 22 to 65.44 lacs as on Mar 23
Debt- Equity Ratio	-	-	Total debt = [Long term borrowings including current maturities + current borrowings]	Equity= Issued share capital + Other equity		Company does not have any Borrowings during the year and as at year end and accordingly this ratio is not applicable.
Debt- Service Coverage Ratio	-	-	Earnings available for debt service = Profit before tax - gain on disposal of discontinued operation + finance costs + depreciation and amortisation expense	Debt service = Interest + Principal repayments		Company does not have any Borrowings during the year and as at year end and accordingly this ratio is not applicable.
Return on equity Ratio(%)	10.80%	12.91%	Net profits after taxes	Average total equity	-16%	
Inventory Turnover Ratio	-	-	Cost of Goods Sold	Average inventory		Company does not have any operational activities and accordingly company does not have sales/ purchase/ inventory and profitability from operations. Accordingly these ratio's are not applicable.
Trade receivable Turnover Ratio	-	-	Revenue from sale of products and services	Average trade receivables		
Trade Payable turnover Ratio	-	-	Net purchases of goods	Average Trade Payables		
Net Capital Turnover Ratio	-	-	Revenue from operations	Working capital = Current assets - Current liabilities		
Net profit Ratio(%)	-	-	Net profit after tax	Revenue from operations	-	In current year revenue from operation is Nil
Return on Capital employed Ratio(%)	14.54%	17.59%	Earnings before interest and taxes (including other income)	Capital Employed = Average total equity + Average Total Debt	-17%	
Return on Investment (%)	10.80%	12.91%	Profit After Tax	Average Shareholder Equity	-16%	

Notes forming part of the financial statements for the year ended 31st March, 2023

22 Earnings per share

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Earnings Per Share has been computed as under:		
Profit/(Loss) for the year (Rs. in lakhs)	57.05	60.63
Weighted average number of equity shares outstanding (No. in lakhs)	27.10	27.10
Earnings Per Share (Rs.) - Basic (Face value of Re. 10 per share)		
Basic	2.11	2.24
Diluted	2.11	2.24

23 Previous year figures have been re-grouped/rearranged wherever necessary to conform to the current year's classification.

As per our report of even date

For M G M & Company
Chartered Accountants
Firm Registration Number: 0117963W

Sd/-
Mangesh Katariya
Partner
Membership Number: 104633
Date : 02/05/2023
Place: Pune

For and on behalf of Board of Directors

Sd/-
Mithulal Bapna
Director
DIN : 06383502
Date : 02/05/2023
Place: Mumbai

Sd/-
Vijay Patil
Director
DIN : 07173161

COLORPLUS REALTY LIMITED

ANNUAL REPORT 2022-23

BOARD OF DIRECTORS	:	SHRI M. L. BAPNA SHRI VIJAY DESHPANDE SHRI SANDEEP MAHESWARI
STATUTORY AUDITORS	:	M/S. M G M & COMPANY, CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	JEKEGRAM, POKHARAN ROAD NO. 1, THANE – 400 606, MAHARASHTRA

COLORPLUS REALTY LIMITED

CIN: U70100MH1987PLC260720

DIRECTORS' REPORT

To,
The Members
COLORPLUS REALTY LIMITED

Your Directors have pleasure in presenting their Thirty Sixth Annual Report on the Business and Operations of the Company and the accounts for the Financial Year ended March 31, 2023.

1. FINANCIAL SUMMARY / PERFORMANCE OF THE COMPANY

During the year under review, Gross Revenue of the Company for FY 2022-23 was NIL (Previous Year: NIL) and Company registered a loss after tax of Rs. 8.55 Lakhs (Previous Year Loss after tax: Rs.14.55 Lakhs).

2. DIVIDEND

In view of the loss incurred during the year under review, no dividend has been recommended for FY 2022-23.

3. RESERVES

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

4. AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company have appointed Messrs M G M & Company, Chartered Accountants (ICAI Firm Registration Number 117963W/ Membership No.104633), as the Statutory Auditors of the Company for a term of five years from the conclusion of the Thirty Sixth Annual General Meeting till the conclusion of the Forty First Annual General Meeting of the Company, subject to the approval of the Members of the Company.

In this regard, M/s. M G M and Company, Chartered Accountants, (ICAI Firm Registration No: 117963W / Membership No.104633) have confirmed that they are eligible and qualified to be appointed as Statutory Auditors of the Company in terms of Section 139 of the Companies Act, 2013 and also satisfy the criteria provided in Section 141 of the Companies Act, 2013.

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

There has been no qualification, reservation or adverse remark or disclaimer made by the auditors in their audit report for the financial year ended March 31, 2023.

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, 2023 is Rs. 1 Crore. During the year under review, the Company has not issued any shares. As on March 31, 2023, 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

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

9. DIRECTORS

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

Profile of Director being re-appointed at the ensuing AGM, as required by Secretarial Standard- 2 on General Meetings, is given in the notice of the ensuing AGM. The above re-appointment forms part of the Notice of the ensuing AGM and the resolution is recommended for members' approval.

Your Board presently consists of the following Directors:

S. No.	Name of the Director	Designation
1	Shri M. L. Bapna	Non-Executive Director
2	Shri Vijay Deshpande	Non-Executive Director
3	Shri Sandeep Maheshwari	Non-Executive Director

10. MEETINGS

During the year, Four Board Meetings were held as under and attendance of Board Members is given below:

Date of Board Meeting	Attendance of Directors		
	Shri M. L. Bapna	Shri Vijay Deshpande	Shri Sandeep Maheswari
13.05.2022	✓	✓	✓
28.07.2022	✓	✓	✓
31.10.2022	✓	✓	✓
27.01.2023	✓	✓	✓

11. COMPLIANCE WITH SECRETARIAL STANDARDS

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

12. 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.

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 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

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.

17. EXTRACT OF ANNUAL RETURN

As per Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and relevant Rules, as amended from time to time, every company is required to place a copy of the annual return on the website of the Company, if any, and the web-link of such annual return shall be disclosed in the Board's Report. Since the Company does not have a website, the said provision is not applicable to the Company.

18. 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, 2023 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 are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

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

Since the Company does not have required number of employees on its payroll, the disclosure under the above act is not applicable.

22. DISCLOSURES

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

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

23. RESIDUARY DISCLOSURES

During the year under review:

i. the Company has not issued equity shares with differential rights as to dividend, voting or otherwise. Hence, disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;

ii. the Company has not issued sweat equity shares to its employees. Hence, disclosure under Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;

iii. no Company has become or ceased to be its subsidiaries, joint ventures or associate companies. Hence, disclosure under Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is not applicable;

iv. provisions of Section 135 of the Companies Act, 2013 ('Act') is not applicable to the Company, hence disclosure under section 134(3)(o) of the Act is not applicable;

v. Company does not have any Independent Directors, hence disclosure under section 134(3)(d) of the Act is not applicable;

vi. Company does not fall under provisions of 178 of the Act, hence disclosure under section 134(3)(e) of the Act is not applicable;

vii. Company does not fall under provisions of Rule 8(4) of the Companies (Accounts) Rules, 2014, hence disclosure under section 134(3)(p) of the Act is not applicable;

viii. the provisions of Section 125(2) of the Act do not apply as there was no unclaimed dividend in the previous years.

ix. there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable.

x. Company was not required to maintain the cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act were not applicable for the business activities carried out by the Company.

24. ACKNOWLEDGEMENT

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 Directors of
Colorplus Realty Limited

	Sd/-	Sd/-
	M. L. Bapna	**Vijay Deshpande**
Mumbai	**Director**	**Director**
May 3, 2023	**DIN: 06383502**	**DIN: 08250378**

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Colorplus Realty Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Colorplus Realty Limited** (the Company), which comprise the Balance sheet as at 31st March, 2023, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023 and its profit, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of Companies Act, 2013 and the rules thereunder and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained in sufficient and appropriate to provide a basis for our opinion.

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibility

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

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

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

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Other Matter

The financial statements of the Company for the financial year ended 31^{st} March, 2022 were audited by another auditor who expressed an unqualified opinion on those financial statements, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the standalone financial statements. Our audit report is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

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

   d) In our opinion, the financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”; and

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

    I. The Company does not have any pending litigations which would impact its financial position.

    II. The company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.

    III. There have been no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

    IV. (a) Management has represented to us that , to the best of its knowledge and belief, and as disclosed in the notes to the accounts no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

V. The Company has not declared or paid any dividend during the year ended 31st March 2023.

3. 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 MGM and Company
Chartered Accountants
Firm Registration No. 117963W

Sd/-
CA Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: 03/05/2023
UDIN: 23104633BGTYIN7751

"ANNEXURE A" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF COLORPLUS REALTY LIMITED

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

(i) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any property, plant and equipment or intangible assets or right of use assets or investment property and accordingly, reporting under clause 3(i) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as the Order) is not applicable to the Company.

(ii)

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no inventories held in the name of the Company. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.

b) The company has not been sanctioned working capital limits in excess of five crore rupees at any point of time of the year, in aggregate, from banks or financial institutions. Accordingly, paragraph 3(ii)(b) of the order is not applicable.

(iii) According to the information and explanations given to us, the Company has not made investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, paragraph 3(iii) of the order is not applicable.

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

(v) In our opinion, and according to the information and explanations given to us, No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.

(vi) According to the information and explanations given to us, the Central Government under sub-section (1) of Section 148 of the Act has not prescribed maintenance of cost records in respect of the activities carried out by the company.

(vii)

a) According to the information and explanations given to us and on the basis of our examination, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Income Tax, Goods and Service Tax and other material statutory dues as applicable to the Company with the appropriate authorities.

   No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at 31st March, 2023 for a period of more than six months from the date they became payable:

b) According to the records of the Company, there are no dues of Income Tax, Goods and Service tax which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination, there is no unrecorded transaction which have been surrendered and disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

(ix)

a) In our opinion and according to the information and explanations given to us, the company has not raised any term loans during the year. Accordingly, reporting under clause 3(ix)(a) of the Order is not applicable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

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

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

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company does not have any subsidiary or associate company as defined under the companies Act, 2013. The company does not hold any investment in any joint venture (as defined under the Act) during the year ended 31^{st} March, 2023. Accordingly, clause 3(ix)(e) of the Order is not applicable.

f) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company does not have any subsidiary or associate company as defined under the companies Act, 2013. The company does not hold any investment in any joint venture (as defined under the Act) during the year ended 31st March, 2023. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x)

a) According to the information and explanations given to us and on the basis of our examination, the Company has not raised any money by way of initial public offer / further public offer / debt instruments.

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

(xi)

a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us, no whistle blower complains were received by 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.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to appoint internal auditors as per the act and rules made thereunder. Accordingly, reporting under clause 3(xiv) of the Order is not applicable.

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

(xvi)

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

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

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

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

(xvii) The Company has incurred cash losses during the current financial year and immediately preceding financial year amounting to Rs. 8.55 Lakhs and Rs. 14.55 Lakhs respectively covered under our audit.

(xviii) There has been no resignation of the statutory auditor during the year and accordingly this clause is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

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

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

For MGM and Company
Chartered Accountants
Firm Registration No. 117963W

Sd/-
Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: 03/05/2023
UDIN: 23104633BGTYIN7751

"ANNEXURE B" REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF 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")

We have audited the internal financial controls over financial reporting of Colorplus Realty Limited ("the Company") as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MGM and Company
Chartered Accountants
Firm Registration No. 117963W

Sd/-
Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: 03/05/2023
UDIN: 23104633BGTYIN7751

Colorplus Realty Limited
Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U70100MH1987PLC260720

Balance Sheet as at March 31, 2023

(Rs. in lakhs)

Sr. No.	Particulars	Note	As at March 31, 2023	As at March 31, 2022
I	**ASSETS**			
1	**Current assets**			
	(a) Other current assets	2	0.37	0.29
	TOTAL ASSETS		**0.37**	**0.29**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	3	100.00	100.00
	(b) Other equity	4	(187.40)	(178.85)
2	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Trade Payables	5		
	(A) total outstanding dues of micro & small enterprises		-	-
	(B) total outstanding dues of creditors other than micro & small enterprises		84.93	76.53
	(ii) Other financial liabilities	6	1.45	1.39
	(b) Other current liabilities	7	0.12	0.21
	(c) Short term provisions	8	1.27	1.01
	TOTAL LIABILITIES		**0.37**	**0.29**

Statement of Significant Accounting Policies 1
The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached
For M G M and Compnay
Chartered Accountants
FRN: 117963W

For and on behalf of the Board of Directors

Sd/-
CA Mangesh Katariya
Partner
Membership No. 104633
Place: Pune
Date : 03/05/2023

Sd/-
Mithulal Bapna
Director
DIN : 06383502
Place: Mumbai
Date: 03/05/2023

Sd/-
Vijay Deshpande
Director
DIN : 08250378

Colorplus Realty Limited
Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U70100MH1987PLC260720

Statement of Profit and Loss for the year ended March 31, 2023

(Rs. in lakhs)

Sr. No.	Particulars	Note	Year ended March 31, 2023	Year ended March 31, 2022
I	**Income**			
	Revenue from Operations		-	-
	Total Income (I)		**-**	**-**
II	**Expenses**			
	Employee benefits expense	9	7.34	14.05
	Other expenses	10	1.21	0.50
	Total expenses (II)		**8.55**	**14.55**
III	**Loss before tax (I- II)**		**(8.55)**	**(14.55)**
IV	**Tax expense**			
	Current tax		-	-
	Deferred tax charge/(credit)		-	-
V	**Loss for the year (III-IV)**		**(8.55)**	**(14.55)**
VI	**Other Comprehensive Income**		**-**	**-**
VII	**Total Comprehensive Income for the year (V + VI)**		**(8.55)**	**(14.55)**
VIII	**Earnings per equity share of Rs. 100 each :**			
	Basic and diluted earnings per share (Rs.)	11	(8.55)	(14.55)

Statement of Significant Accounting Policies 1
The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached
For M G M and Compnay
Chartered Accountants
FRN: 117963W

For and on behalf of the Board of Directors

Sd/-
CA Mangesh Katariya
Partner
Membership No. 104633
Place: Pune
Date : 03/05/2023

Sd/-
Mithulal Bapna
Director
DIN : 06383502
Place: Mumbai
Date: 03/05/2023

Sd/-
Vijay Deshpande
Director
DIN : 08250378

Colorplus Realty Limited
Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U70100MH1987PLC260720

Statement of Cash Flow for the year ended March 31, 2023

(Rs. in Lakhs)

Sr. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A	**Cash Flow from Operating Activities:**		
	Net Loss before Tax as per Statement of Profit and Loss	(8.55)	(14.55)
	Operating Profit before Working Capital changes.	**(8.55)**	**(14.55)**
	Add/(Deduct)		
	a) (Increase)/Decrease in Trade and Other Receivables	(0.08)	-
	b) Increase/(Decrease) in Trade and Other Payable	8.63	14.55
	Cash Inflow/(Outflow) from operations	-	-
	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	-	-

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached
For M G M and Compnay
Chartered Accountants
FRN: 117963W

For and on behalf of the Board of Directors

Sd/-
CA Mangesh Katariya
Partner
Membership No. 104633
Place: Pune
Date : 03/05/2023

Sd/-
Mithulal Bapna
Director
DIN : 06383502
Place: Mumbai
Date: 03/05/2023

Sd/-
Vijay Deshpande
Director
DIN : 08250378

Colorplus Realty Limited
Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U70100MH1987PLC260720

Statement of Changes in Equity

A. Equity Share Capital

(Rs. in Lakhs)

Particulars	Note	Amount
Balance as at March 31, 2021	4	**100.00**
Changes in equity share capital		-
Balance as at March 31, 2022		**100.00**
Changes in equity share capital		-
Balance as at March 31, 2023		**100.00**

B. Other Equity

(Rs. in Lakhs)

Particulars	Reserves and Surplus					Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserves	Retained Earnings	
Balance as at March 31, 2021	**(7,233.38)**	**548.00**	**347.52**	**1,196.53**	**4,977.03**	**(164.30)**
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting Period	(7,233.38)	548.00	347.52	1,196.53	4,977.03	(164.30)
Profit for the year					(14.55)	(14.55)
Other Comprehensive Income for the year					-	-
Total Comprehensive Income for the year	-	-	-	-	**(14.55)**	**(14.55)**
Balance as at March 31, 2022	**(7,233.38)**	**548.00**	**347.52**	**1,196.53**	**4,962.48**	**(178.85)**
Profit for the year					(8.55)	(8.55)
Other Comprehensive Income for the year					-	-
Total Comprehensive Income for the year	-	-	-	-	**(8.55)**	**(8.55)**
Balance as at Mar 31, 2023	**(7,233.38)**	**548.00**	**347.52**	**1,196.53**	**4,953.93**	**(187.40)**

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached
For M G M and Compnay
Chartered Accountants
FRN: 117963W

For and on behalf of the Board of Directors

Sd/-
CA Mangesh Katariya
Partner
Membership No. 104633
Place: Pune
Date : 03/05/2023

Sd/-
Mithulal Bapna
Director
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Vijay Deshpande
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Colorplus Realty Limited
Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U70100MH1987PLC260720

Notes to the financial statements for the year ended March 31, 2023

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 and development/ reddevlopment and construction of real estate properties as well deals in best of fabrics.

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) 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.

Note 1 - Statement of Significant Accounting Policies

(d) 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.

Note 1 - Statement of Significant Accounting Policies

(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) 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.

(f) 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.

(g) Provisions and contingent liabilities

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

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

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.

Notes to the financial statements for the year ended March 31, 2023

Note 1 - Statement of Significant Accounting Policies

(h) Revenue recognition

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.

(i) 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.

Notes to the financial statements for the year ended March 31, 2023

Note 1 - Statement of Significant Accounting Policies

(j) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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

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

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

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

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

(k) 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.

(l) Segment Reporting:

The Company’s business activity falls within a single primary business segment . Accordingly, the Company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment".

(m) 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.

Colorplus Realty Limited
Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U70100MH1987PLC260720

Notes to the financial statements for the year ended March 31, 2023

Note 2 - Other current assets
(Unsecured, considered good unless otherwise stated)

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits with customs, port trust, excise and other govt. authorities	0.37	0.29
Total	**0.37**	**0.29**

Colorplus Realty Limited
Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U70100MH1987PLC260720

Notes to the financial statements for the year ended March 31, 2023

Note 3 - Equity Share capital *(Rs. in lakhs)*

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
2,00,000 (March 31, 2022: 2,00,000) Equity Shares of Rs. 100 each	200.00	200.00
5,50,000 (March 31, 2022: 5,50,000) 0.1% Redeemable Non-Cumulative preference shares of Rs. 100 each	550.00	550.00
	750.00	750.00
Issued, subscribed and fully paid up		
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** *(Rs. in lakhs)*

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Equity Shares Capital :				
`	**100000**	**100**	**100000**	**100**
Add: Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	**100000**	**100**	**100000**	**100**
Changes in equity share capital during the current year	-	-	-	-
Balance at the end of the current reporting period	**100000**	**100**	**100000**	**100**

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**

Particulars	As at March 31, 2023	As at March 31, 2022
Equity Shares of Rs. 100 each held by:		
Raymond Limited and its nominees	100,000	100,000

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	%	No. of shares	%	No. of shares
Raymond Limited and its nominees	100	100,000	100	100,000

Colorplus Realty Limited
Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U70100MH1987PLC260720

Notes to the financial statements for the year ended March 31, 2023

Note 4 - Other Equity

(Rs. in Lakhs)

Particulars	Reserves and Surplus					Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserves	Retained Earnings	
Balance as at March 31, 2021	**(7,233.38)**	**548.00**	**347.52**	**1,196.53**	**4,977.03**	**(164.30)**
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting Period	(7,233.38)	548.00	347.52	1,196.53	4,977.03	(164.30)
Profit for the year	-	-	-	-	(14.55)	(14.55)
Other Comprehensive Income for the year	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	(14.55)	(14.55)
Balance as at March 31, 2022	**(7,233.38)**	**548.00**	**347.52**	**1,196.53**	**4,962.48**	**(178.85)**
Profit for the year	-	-	-	-	(8.55)	(8.55)
Other Comprehensive Income for the year	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	(8.55)	(8.55)
Balance as at Mar 31, 2023	**(7,233.38)**	**548.00**	**347.52**	**1,196.53**	**4,953.93**	**(187.40)**

Colorplus Realty Limited
Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U70100MH1987PLC260720

Notes to the financial statements for the year ended March 31, 2023

Note 5 - Trade payables *(Rs. in lakhs)*

Particulars	As at March 31, 2023	As at March 31, 2022
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	81.97	74.86
(ii) Others	2.96	1.67
Total	**84.93**	**76.53**

2022-23 *(Rs. in lakhs)*

Particulars	Not due	Less than 1 year	1- 2 year	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed (a)	-	-			-	-
Undisputed						
Related Parties	2.04	5.84	21.67	17.56	34.86	81.97
MSME		-			-	-
Others	-	1.29	-	0.50	1.17	2.96
Undisputed (b)	**2.04**	**7.13**	**21.67**	**18.06**	**36.03**	**84.93**
Total (a+b)	**2.04**	**7.13**	**21.67**	**18.06**	**36.03**	**84.93**

2021-22 *(Rs. in lakhs)*

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

Colorplus Realty Limited
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CIN: U70100MH1987PLC260720

Notes to the financial statements for the year ended March 31, 2023

Note 6 - Other current financial liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Salary and Wages payable and other employee benefit expense	1.45	1.39
Total	**1.45**	**1.39**

Note 7 - Other current liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues	0.12	0.21
Total	**0.12**	**0.21**

Note 8 - Short term provisions

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits	1.27	1.01
Total	**1.27**	**1.01**

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Notes to the financial statements for the year ended March 31, 2023

Note 9 - Employee benefits expense

(Rs. in Lakhs)

Pariculars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	6.86	13.33
Contribution to provident funds and other funds	0.25	0.41
Defined contribution plan expense	0.16	0.10
Staff welfare expenses	0.07	0.21
Total	**7.34**	**14.05**

Note 10 - Other expenses

(Rs. in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Legal and Professional Expenses	0.71	-
Payment to auditors (Refer Note A below)	0.50	0.50
Total	**1.21**	**0.50**

Note A. Payment to Auditors:

(Rs. in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
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 11 - Earnings per share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Earnings Per Share has been computed as under:		
Loss for the year after tax (Rs. In Lakhs)	(8.55)	(14.55)
Weighted average number of equity shares outstanding	100,000	100,000
Earnings Per Share (Rs.) - Basic & Diluted	(8.55)	(14.55)

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Notes to the financial statements for the year ended March 31, 2023

Note 12 - Related Party Disclosure as per Ind AS 24

I. Relationships	Country of Incorporation	Ownership Interest	
		Year ended March 31, 2023	Year ended March 31, 2022
(a) Holding Company			
Raymond Limited	India	100%	100%
(b) Fellow Subsidiary Companies : *			
(i) Silver Spark Apparel Limited	India		
(ii) Celebrations Apparel Limited	India		
(iii) Raymond Luxury Cottons Limited	India		
(iii) Raymond Apparel Limited	India		
(c) Joint Ventures of Related Party referred to in (a) above			
Raymond UCO Denim Private Limited *	India		
(d) Related Party which has significant influence			
J K Investors (Bombay) Limited *	India		

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

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

(Rs. in lakhs)

Nature of Transaction	Related Parties	
	Referred to 1 (a) above	Referred to 1 (b) above
Expenses		
Reimbursement of Expenses		
Raymond Limited	-	-
	(16.34)	

III. Balances receivable or payable at the year end:

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Payables		
Raymond Limited	81.97	74.86
Total	**81.97**	**74.86**

Notes to the financial statements for the year ended March 31, 2023

Note 13 - Fair Value measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

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

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

The 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'2023				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 Liabilities																
Trade Payables	-	84.93	84.93	-	-	-	-	-	-	-	-	-	-	84.93	84.93	84.93
Other Financial Liabilities	-	1.45	1.45	-	-	-	-	-	-	-	-	-	-	1.45	1.45	1.45
	-	**86.38**	**86.38**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**86.38**	**86.38**	**86.38**

(Rs. in lakhs)

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

Notes to the financial statements for the year ended March 31, 2023

Note 14 - 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.

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.

The Company has no borrowings as at March 31, 2023 and March 31, 2022 and thus the Company does not foresee any interest rate risk.

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.

The Company has no receivables or payables in foreign currency as at March 31, 2023 and March 31, 2022 and thus the Company does not foresee any foreign currency risk.

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.

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Notes to the financial statements for the year ended March 31, 2023

Note 14 - Financial Risk Management

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.

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

Maturity patterns of other Financial Liabilities

As at 31st March'23 **(Rs. in lakhs)**

Particulars	Overdue/ Payable on demand	0-3 months	3-6 months	6 - 12 months	beyond 12 months	Total
Trade Payable	84.93	-	-	-	-	84.93
Other Financial liabilities (Current and Non Current)	-	1.45	-	-	-	1.45
Total	**84.93**	**1.45**	**-**	**-**	**-**	**86.38**

As at 31st March'22 **(Rs. in lakhs)**

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

Colorplus Realty Limited
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Notes to the financial statements for the year ended March 31, 2023

Note 15 - Analytical Ratios

Particulars	Numerator	Denominator	2023	2022	Variation %	Reasoning and Basis
Current Ratio	Current Assets	Current Liabilities	0.0042	0.0037	**15.04%**	During the current year, there is change in denominator base due to enhanced expenses and hence this ratio is downgraded.
Return on equity Ratio	Net Profits after taxes	Average Shareholder's Equity	0.10	0.20	**-49.40%**	Due to increase in expenses during the current period.
Return on Capital employed Ratio (ROCE)	Earning before interest and taxes	Capital Employed***	9.78%	18.45%	**-46.99%**	Due to increase in expenses during the current period.
Return on Investment	Profit After Tax	Aeverage Shareholder Equity****	10.29%	20.33%	**-49.40%**	Due to increase in expenses during the current period.
Debt- Equity Ratio	Total Debt	Shareholder's Equity	-	-	-	Company does not have any Borrowings during the year and as at year end and accordingly this ratio is not applicable.
Debt- Service Coverage Ratio	Earnings available for debt service*	Debt Service**	-	-	-	
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	-	-	-	Company does not have any operational activities and accordingly company does not have sales/ purchase/ inventory and profitability from operations. Accordingly these ratio's are not applicable.
Trade receivable Turnover Ratio	Revenue	Average Trade Receivable	-	-	-	
Trade Payable turnover Ratio	Purchases of services and other expenses	Average Trade Payables	-	-	-	
Net Capital Turnover Ratio	Revenue	Working Capital	-	-	-	
Net profit Ratio	Net Profit	Revenue	-	-	-	

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

Colorplus Realty Limited
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Notes to the financial statements for the year ended March 31, 2023

Note 16 - 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 17 - 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.

Management has carried out a detailed assessment of liquidity position as at March 31, 2023 and have received support letter from Raymond group to meet its fund requirements as and when they fall due in next one year from March 31, 2023.

Note 18 :- Deferred tax assets

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

Note:- 19 Other Statutory Information

(a) DETAILS OF BENAMI PROPERTY HELD

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

(b) RELATIONSHIP WITH STRUCK OFF COMPANIES

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

(c) WILLFUL DEFAULTER

The company does not have any borrowing from bank, financial institution & accordingly this clause is not applicable.

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

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

(e) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

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

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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Notes to the financial statements for the year ended March 31, 2023

(g) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(h) UNDISCLOSED INCOME
The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

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

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

(k) REVALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS
The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

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

As per our report of even date.

For M G M and Compnay
Chartered Accountants
FRN: 117963W

Sd/-
CA Mangesh Katariya Partner
Membership No. 104633
Place: Pune
Date : 03/05/2023

For and on behalf of the Board of Directors

Sd/-
Mithulal Bapna
Director
DIN : 06383502
Place: Mumbai
Date: 03/05/2023

Sd/-
Vijay Deshpande
Director
DIN : 08250378

EVERBLUE APPAREL LIMITED

ANNUAL REPORT 2022-23

BOARD OF DIRECTORS	:	SHRI ARUN AGARWAL SHRI PRASAD THAKUR SHRI VIJAY PATIL
MANAGER	:	SHRI PRASAD THAKUR
CHIEF FINANCIAL OFFICER	:	SHRI ASHOK KUMAR BANSAL
COMPANY SECRETARY	:	SHRI RAKESH DARJI
STATUTORY AUDITORS	:	MESSRS. WALKER CHANDIOK & CO LLP, CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	NEW HIND HOUSE, N. M. MARG, BALLARD ESTATE, MUMBAI – 400 001 MAHARASHTRA.

EVERBLUE APPAREL LIMITED
(CIN: U72900MH2000PLC124912)

DIRECTORS' REPORT

To,
The Members
EVERBLUE APPAREL LIMITED

Your Directors are pleased to present the Twenty Third Annual Report together with the Audited Financial Statements for the Financial Year ended March 31, 2023.

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 revenue from operations of the Company was Rs. 9,979.85 Lakhs (Previous year: Rs. 9,477.66 Lakhs). The Company earned a Profit after Tax of Rs. 77.21 Lakhs (Previous Year: Rs. 156.40 Lakhs).

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 2022-23.

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 Twenty Second Annual General Meeting ('AGM') held on July 12, 2022 for a period of 5 years commencing from the conclusion of Twenty Second AGM till the conclusion of Twenty Seventh AGM.

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, 2023 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.

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 Vijay Patil, Director of the Company, retires by rotation at the forthcoming AGM and, being eligible offers himself for re-appointment.

Profile of Director to be re-appointed at the ensuing AGM, as required by Secretarial Standard - 2 on General Meetings, is given in the notice of the ensuing AGM. The above re-appointment forms part of the notice of the ensuing AGM and the resolution is recommended for members' approval.

Your Board presently consists of following Directors:

S. No.	Name of the Director	Designation
1	Shri Prasad Thakur	Non-Executive Director
2	Shri Vijay Patil	Non-Executive Director
3	Shri Arun Agarwal	Non-Executive Director

During the year, Four Board Meetings were held as under and attendance of Board Members is given below:

Sr. No.	Name of Director	Date of Board Meeting			
		May 14, 2022	August 01, 2022	October 28, 2022	January 30, 2023
1	Shri Prasad Thakur	✓	✓	✓	✓
2	Shri Vijay Patil	✓	✓	✓	✓
3	Shri Arun Agarwal	✓	✓	✓	✓

II) Key Managerial Personnel (KMP)

During the year under review, there was no change in the KMP of the Company.

As on March 31, 2023, the list of KMP of the Company is as under:-

Sr. No.	Name of the KMP	Designation
1	Shri Prasad Thakur	Manager and Director
2	Shri Ashok Kumar Bansal	Chief Financial Officer
3	Shri Rakesh Darji	Company Secretary

III) Formal Annual Evaluation

Pursuant to the provisions of the Section 134(3)(p) of the Companies Act, 2013 and rules made thereunder, the annual evaluation of the performance of the Board and Individual Directors is not applicable.

11 RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on an arm’s length pricing basis and do not attract the provisions of Section 188(1) of the Companies Act, 2013.

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, 2023, 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, 2023 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.

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

As per Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and relevant Rules, as amended from time to time, every company is required to place a copy of the annual return on the website of the Company, if any, and the web-link of such annual return shall be disclosed in the Board's Report. Since the Company does not have a website, the said provision is not applicable to the Company.

16 PARTICULARS OF EMPLOYEES

The provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2023 is not applicable.

17 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.

18 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.

19 SECRETARIAL STANDARDS

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

20 SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

21 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 RESIDUARY DISCLOSURES

During the year under review:

i. the Company has not issued equity shares with differential rights as to dividend, voting or otherwise. Hence, disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;

ii. the Company has not issued sweat equity shares to its employees. Hence, disclosure under Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;

iii. no Company has become or ceased to be its Subsidiaries, joint ventures or associate Companies. Hence, disclosure under Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is not applicable;

iv. provisions of Section 135 of the Companies Act, 2013 (‘Act’) is not applicable to the Company, hence disclosure under section 134(3)(o) of the Act is not applicable;

v. Company does not have any Independent Directors, hence disclosure under section 134(3)(d) of the Act is not applicable;

vi. Company does not fall under provisions of 178 of the Act, hence disclosure under section 134(3)(e) of the Act is not applicable;

vii. Company does not fall under provisions of Rule 8(4) of the Companies (Accounts) Rules, 2014, hence disclosure under section 134(3)(p) of the Act is not applicable;

viii. the provisions of Section 125(2) of the Act do not apply as there was no unclaimed dividend in the previous years.

ix. there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable.

x. Company was not required to maintain the cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act were not applicable for the business activities carried out by the Company.

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 of
EVERBLUE APPAREL LIMITED

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

Mumbai
May 08, 2023

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 equipments.

(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 (Last year: Nil)
(ii) Outgo: 11.48 Lakhs (Last Year: Rs. 6.62 Lakhs)

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 2023, 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 notes to the financial statements, including a summary of the significant accounting policies and other explanatory information,

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, 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

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Directors 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 for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of

the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

8. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

   - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

9. 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

10. 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.

11. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our auditwe 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;

       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

    b) The financial statements dealt with by this report are in agreement with the books of account;

    c) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

    d) 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 2023 from being appointed as a director in terms of section 164(2) of the Act;

    e) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and

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

       i. the Company does not have any pending litigation(s) which would impact its financial position as at 31 March 2023;

       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 2023;

       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 2023;

       iv.
          a. The management has represented that, to the best of its knowledge and belief, , no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

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

       v. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

       vi. The Company has not declared or paid any dividend during the year ended 31 March 2023.

vii. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

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

Sd/-

Adi P. Sethna
Partner
Membership No.: 108840

UDIN: 23108840BGYAVS3723

Place: Mumbai
Date: 08 May 2023

Annexure I referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Everblue Apparel Limited on the financial statements for the year ended 31 March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

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

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

(b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records

(b) The Company has a working capital limit in excess of Rs 5 crore, by banks on the basis of security of current assets. Pursuant to the terms of the sanction letter(s), the Company is not required to file any quarterly return or statement with such banks.

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

iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

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

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

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

Annexure I referred to in Paragraph 13of 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 2023

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

(e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

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

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.

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

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause

3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.

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

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

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

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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

Sd/-

Adi P. Sethna
Partner
Membership No.: 108840

UDIN: 23108840BGYAVS3723

Place: Mumbai
Date: 08 May 2023

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 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

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

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI

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

Sd/-

Adi P. Sethna
Partner
Membership No.: 108840

UDIN: 23108840BGYAVS3723

Place: Mumbai
Date: 08 May 2023

AUDITED

BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS

(FINANCIAL STATEMENTS)

FOR THE YEAR ENDED

31 March 2023

EVERBLUE APPAREL LIMITED

Everblue Apparel Limited
Balance Sheet as at 31 March 2023

		Note	As at 31 March 2023 (Rs in lakhs)	As at 31 March 2022 (Rs in lakhs)
I	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	**2**	2,487.67	2,625.02
	(b) Capital work - in - progress	**3**	36.17	-
	(c) Intangible assets	**4**	9.53	18.27
	(d) Financial assets			
	(i) Other financial assets	**5**	94.65	95.05
	(e) Deferred tax assets (net)	**30**	204.19	214.70
	(f) Income tax asset (net)	**30**	223.12	87.90
	(g) Other non - current assets	**6**	27.46	10.04
	Total non-current assets		**3,082.79**	**3,050.98**
2	**Current assets**			
	(a) Inventories	**7**	251.70	218.53
	(b) Financial assets			
	(i) Trade receivables	**8**	1,412.07	725.60
	(ii) Cash and cash equivalents	**9(a)**	1.55	855.92
	(iii) Bank balances other than cash and cash equivalents	**9(b)**	10.96	10.48
	(c) Other current assets	**10**	486.97	513.26
	Total current assets		**2,163.25**	**2,323.79**
	TOTAL ASSETS		**5,246.04**	**5,374.77**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	**11**	1,150.00	1,150.00
	b) Other equity		350.00	260.40
	Total equity		**1,500.00**	**1,410.40**
2	**Liabilities**			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	**12**	1,675.80	1,678.99
	(b) Provisions	**14**	155.00	120.98
	(c) Other non current liabilities	**13**	17.72	37.24
	Total non-current liabilities		**1,848.52**	**1,837.21**
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	**15**	135.49	144.33
	(ii) Trade payables	**16**		
	Total outstanding dues to micro enterprises and small enteprises		158.76	70.78
	Total outstanding dues to creditors other than micro enterprises and small enteprises		429.27	774.96
	(iii) Other financial liabilities	**17**	885.20	881.88
	(b) Other current liabilities	**18**	167.87	139.08
	(c) Provisions	**14**	120.93	116.13
	Total current liabilities		**1,897.52**	**2,127.16**
	TOTAL EQUITY AND LIABILITIES		**5,246.04**	**5,374.77**

Notes 1 to 40 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: 08 May 2023

For and on behalf of Board of Directors

Sd/-
Prasad Thakur
Manager and Director
DIN: 07278555 Place: Mumbai

Sd/-
Vijay Patil
Director
DIN: 07173161
Place: Mumbai

Sd/-
Ashok Kumar Bansal
Chief Financial Officer
Place: Banglore

Sd/-
Rakesh Darji
Company Secretary
Place: Mumbai

Date: 08 May 2023

Everblue Apparel Limited
Statement of profit and loss for the year ended 31 March 2023

		Note	Year ended 31 March 2023 (Rs in lakhs)	Year ended 31 March 2022 (Rs in lakhs)
I	**Income**			
	Revenue from operations	**19**	9,979.85	9,477.66
	Other income	**20**	27.33	83.94
	Total income		**10,007.18**	**9,561.60**
II	**Expenses**			
	Change in value of contract assets	**21A**	31.11	(138.77)
	Changes in inventories of finished goods and work-in-progress	**21B**	(100.51)	(36.33)
	Cost of materials consumed	**22**	118.97	79.16
	Employee benefits expense	**23**	6,511.57	5,564.44
	Finance costs	**24**	187.76	195.45
	Depreciation and amortisation expense	**25**	219.07	219.05
	Other expenses			
	(a) Operating costs	**26A**	2,220.21	2,941.43
	(b) Other expenses	**26B**	712.06	542.46
	Total expenses		**9,900.24**	**9,366.89**
III	**Profit before tax**		**106.94**	**194.71**
IV	**Tax expense**	**30**		
	Current tax		17.85	30.37
	Deferred tax charge		5.73	7.94
	Tax in respect of earlier years		6.15	-
V	**Profit for the year**		**77.21**	**156.40**
VI	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	**31**	17.17	(24.16)
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans		(4.78)	6.72
	Total other Comprehensive Income for the year		**12.39**	**(17.44)**
VII	**Total Comprehensive Income for the year**		**89.60**	**138.96**
VIII	**Earnings per equity share of Rs 10 each:**	**27**		
	Basic earnings per share (Rs)		0.67	1.36
	Diluted earnings per share (Rs)		0.67	1.36

Notes 1 to 40 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

Place: Mumbai
Date: 08 May 2023

For and on behalf of Board of Directors

Sd/-
Prasad Thakur
Manager and Director
DIN: 07278555
Place: Mumbai

Sd/-
Vijay Patil
Director
DIN: 07173161
Place: Mumbai

Sd/-
Ashok Kumar Bansal
Chief Financial Officer
Place: Banglore

Sd/-
Rakesh Darji
Company Secretary
Place: Mumbai

Date: 08 May 2023

Everblue Apparel Limited
Statement of Cash Flow for the year ended 31 March 2023

	Year ended 31 March 2023 (Rs in lakhs)	Year ended 31 March 2022 (Rs in lakhs)
CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	106.94	194.71
Adjustments for:		
Remeasurements of net defined benefit plans	17.17	(24.16)
Depreciation and amortization expenses	219.07	219.05
Government grant amortised	(19.51)	(32.84)
Compensation received from NHAI for Compound Wall [Refer note 20(a)]	-	(37.56)
Finance cost	187.76	195.45
Interest income	(1.84)	(1.99)
Operating profit before working capital changes	**509.59**	**512.66**
Adjustments for:		
(Increase) / Decrease in trade and other receivables	(673.57)	(17.13)
(Increase) in inventories	(33.17)	(150.59)
Increase / (Decrease) in trade and other payables	(230.32)	687.22
Increase in provisions	38.82	107.78
Cash generated from operations	(388.65)	1,139.94
Direct taxes refund [net]	(159.23)	109.26
Net cash generated/ (used in) from operating activities	**(547.88)**	**1,249.20**
CASH FLOW FROM INVESTING ACTIVITIES :		
Interest received	1.84	1.99
Deposits with maturity of more than three months but less than twelve months (net)	(0.48)	(0.48)
Compensation received from NHAI for Compound Wall [Refer note 20(a)]	-	37.56
Purchase of property, plant and equipment/ intangible assets	(108.06)	(122.44)
Net cash (used in) investing activities	**(106.70)**	**(83.37)**
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds / (Repayment) of short term borrowings	-	(309.34)
Repayment of long term borrowings	(144.33)	(133.92)
Net Interest paid	(55.46)	(199.13)
Net cash (used) in financing activities	**(199.79)**	**(642.39)**
Net increase in cash and cash equivalents	**(854.37)**	**523.44**
Cash and cash equivalents at beginning of the year	855.92	**332.48**
Cash and cash equivalents at end of the year	**1.55**	**855.92**

Notes 1 to 40 form an integral part of the financial statements

Note:

1. The statement of cash flow has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

This is the statement of cash flows referred to in our audit report of even date.

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

For and on behalf of Board of Directors

Sd/-
Prasad Thakur
Manager and Director
DIN: 07278555
Place: Mumbai

Sd/-
Vijay Patil
Director
DIN: 07173161
Place: Mumbai

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

Sd/-
Ashok Kumar Bansal
Chief Financial Officer
Place: Banglore

Sd/-
Rakesh Darji
Company Secretary
Place: Mumbai

Place: Mumbai
Date: 08 May 2023

Date: 08 May 2023

Everblue Apparel Limited
Statement of changes in equity for the year ended 31 March 2023

A. Equity share capital

Equity share capital	Number	(Rs in lakhs)
Equity shares of Rs 10 each issued, subscribed and paid		
As at 1 April 2021	**11,500,000**	**1,150.00**
Issue of equity shares	-	-
As at 31 March 2022	**11,500,000**	**1,150.00**
Issue of equity shares	-	-
As at 31 March 2023	**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 2021	**(228.56)**	**350.00**	**121.44**
Profit for the year ended 31 March 2022	156.40	-	**156.40**
Other comprehensive income for 31 March 2022	(17.44)	-	**(17.44)**
Balance as at 31 March 2022	**(89.60)**	**350.00**	**260.40**
Profit for the year ended 31 March 2023	77.21	-	**77.21**
Other comprehensive income for 31 March 2023	12.39	-	**12.39**
Balance As at 31 March 2023	**-**	**350.00**	**350.00**

Nature and Purpose - Security premium is used to record the premium on issue of shares, the reserve is utilised in accordance with the provisions of the Companies Act, 2013

Notes 1 to 40 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

Date: 08 May 2023

For and on behalf of Board of Directors

Sd/-
Prasad Thakur
Manager and Director
DIN: 07278555
Place: Mumbai

Sd/-
Vijay Patil
Director
DIN: 07173161
Place: Mumbai

Sd/-
Ashok Kumar Bansal
Chief Financial Officer
Place: Banglore

Sd/-
Rakesh Darji
Company Secretary
Place: Mumbai

Date: 08 May 2023

Everblue Apparel Limited
Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2023

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 2023 ("the financial statements") were authorised for issue in accordance with resolution of the Board of Directors on 08 May 2023.

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.

Buildings / Factory buildings - 60 years / 30 years
Plant and equipments -
- Single shift - 24 years
- Double shift - 18 years
- Triple shift - 12 years

Furniture and fixtures - 10 years
Vehicles - 8 years
Office equipment - 5 years
Computers - 3 years
Electrical installation - 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 in the year of disposal.

(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 in the year of disposal.

(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

(g) Trade Receivables
Trade receivables are amounts due from customers for goods sold/ service rendered in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost, less loss allowance.

(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 (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or 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

Companies (Indian Accounting Standards) Amendment Rules 2023 – 31 March 2023 Standards issued but not effective:

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12-Income Taxes and Ind AS 1-Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have any material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

(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 2021	**567.10**	**1,365.21**	**1,980.69**	**84.28**	**4.13**	**47.95**	**4,049.36**
Additions / adjustments	-	113.78	-	-	-	4.51	118.29
Deletions / adjustments	-	-	-	-	-	-	-
Balance as at 31 March 2022	**567.10**	**1,478.99**	**1,980.69**	**84.28**	**4.13**	**52.46**	**4,167.65**
Additions / adjustments	-	49.15	23.27	-	-	0.56	72.98
Deletions / adjustments	-	-	-	-	-	-	-
Balance as at 31 March 2023	**567.10**	**1,528.14**	**2,003.96**	**84.28**	**4.13**	**53.02**	**4,240.63**
Accumulated Depreciation							
As at 1 April 2021	-	300.54	920.91	68.10	3.37	40.37	1,333.29
Additions	-	70.20	132.08	4.00	0.05	3.01	209.34
Deletions / adjustments	-	-	-	-	-	-	-
Balance as at 31 March 2022	**-**	**370.74**	**1,052.99**	**72.10**	**3.42**	**43.38**	**1,542.63**
Additions	-	85.71	118.81	2.81	-	3.00	210.33
Deletions / adjustments	-	-	-	-	-	-	-
Balance as at 31 March 2023	**-**	**456.45**	**1,171.80**	**74.91**	**3.42**	**46.38**	**1,752.96**
Net carrying amount							
Balance as at 31 March 2022	**567.10**	**1,108.25**	**927.70**	**12.18**	**0.71**	**9.08**	**2,625.02**
Balance as at 31 March 2023	**567.10**	**1,071.69**	**832.16**	**9.37**	**0.71**	**6.64**	**2,487.67**

Notes:
i) Refer Note 29 (a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
ii) Refer Note 28 for information on property, plant and equipment pledged as security by the Company.

3 Capital work-in-progress (CWIP)

Balance as at 1 April 2021	**-**
Additions	-
Capitalisation	-
Balance as at 31 March 2022	**-**
Additions	59.45
Capitalisation	(23.28)
Balance as at 31 March 2023	**36.17**

Capital work in progress (CWIP) Aging Schedule:	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Balance as at 31 March 2023					
Project in progress	36.17	-	-	-	36.17
Projects temporarly suspended	-	-	-	-	36.17
Total	**36.17**	**-**	**-**	**-**	**36.17**
Balance as at 31 March 2022					
Project in progress	-	-	-	-	-
Projects temporarly suspended	-	-	-	-	-
Total	-	-	-	-	-

Everblue Apparel Limited
Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2023

Note 4- Intangible assets

	(Rs in lakhs) **Computer Software**
Gross carrying amount	
As at 1 April 2021	**32.92**
Additions / adjustments - Internally developed	-
- Acquired	14.74
Deletions / adjustments	-
Balance as at 31 March 2022	**47.66**
Additions / adjustments - Internally developed	-
- Acquired	-
Deletions / adjustments	-
Balance as at 31 March 2023	**47.66**
Accumulated amortisation	
As at 1 April 2021	19.68
Amortisation for the year	9.71
Deletions / adjustments	-
Balance as at 31 March 2022	**29.39**
Amortisation for the year	8.74
Deletions / adjustments	-
Balance as at 31 March 2023	**38.13**
Net carrying amount	
Balance as at 31 March 2022	**18.27**
Balance as at 31 March 2023	**9.53**

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Note 5 :- Non-current financial assets

	As at 31 March 2023 (Rs in lakhs)	As at 31 March 2022 (Rs in lakhs)
(Unsecured, considered good)		
Deposits	94.65	95.05
Total	**94.65**	**95.05**

Note 6- Other non-current assets

Capital advances	6.76	3.13
Prepaid expenses	20.70	6.91
Total	**27.46**	**10.04**

Note 7- Inventories

Stores and spares	39.39	33.69
Raw Material	75.47	148.51
Work In Progress	0.91	11.69
Finished Goods	135.93	24.64
Total	**251.70**	**218.53**

Note 8- Trade receivables
(Unsecured, considered good unless otherwise stated)

Trade receivables	4.06	7.47
Receivables from related parties* (refer note 32)	1,408.01	718.13
Total	**1,412.07**	**725.60**

* includes Rs. 1408.01 lakhs (31 March 2022: Rs.718.13 lakhs) due from a private company in which director of the company is a director.
- Trade receivables are non-interest bearing and are generally on terms of 30 days.
- Refer note 34 for information about credit risk and market risk of trade receivables.

Ageing of Trade receivables

(Rs in lakhs)

	Outstanding for following periods from due date of payment						
	Not due	**Less than 6 Months**	**6 months - 1 years**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
As at 31 March 2023							
Undisputed Trade receivables-considered good	1,409.71	2.36		-	-	-	1,412.07
Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-				-
Disputed Trade receivables-considered good	-	-	-	-	-	-	-
Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total	**1,409.71**	**2.36**	**-**	**-**	**-**	**-**	**1,412.07**

As at 31 March 2022

	Not due	**Less than 6 Months**	**6 months - 1 years**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed Trade receivables-considered good	725.31	0.29		-	-	-	725.60
Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-				-
Disputed Trade receivables-considered good	-	-	-	-	-	-	-
Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total	**725.31**	**0.29**	**-**	**-**	**-**	**-**	**725.60**

Note 9(a)- Cash and cash equivalents

	As at 31 March 2023 (Rs in lakhs)	As at 31 March 2022 (Rs in lakhs)
Balances with banks in current accounts	0.25	0.25
Balances with Banks - in OD account	1.04	854.96
Cash on hand	0.26	0.71
	1.55	**855.92**

Note 9(b)- Bank balances other than cash and cash equivalents

Other bank balances		
Deposits with maturity of more than three months but less than twelve months	10.96	10.48
Deposit includes fixed deposit with bank Rs. 10.96 lakhs (Rs. 10.48 lakhs as at 31 March 2022) marked as lien against overdraft facility obtained by the Company		
	10.96	**10.48**

Note 10- Other current assets

Prepaid expenses	17.19	17.23
Interest subsidy receivable	-	1.43
Accumulated costs on conversion contract - in process (refer note 1.2 (h))	438.19	469.30
Balance with government authorities	2.92	11.42
Advances to suppliers	13.57	8.24
Other advances	15.10	5.64
Total	**486.97**	**513.26**

Note 11- Equity Share Capital

	As at 31 March 2023 (Rs in lakhs)	As at 31 March 2022 (Rs in lakhs)
Authorised		
20,000,000 [31 March 2022: 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 2022 : 11,500,000] equity shares of Rs 10 each	1,150.00	1,150.00
	1,150.00	**1,150.00**

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year - Refer Statement of changes in equity

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

c) Equity shares held by Holding company and its nominee and shareholders more than 5%

	As at 31 March 2022		As at 31 March 2022	
	Number of shares	% of Holding	Number of shares	% of Holding
Equity Shares of Rs. 10 held by:				
Raymond Limited and its nominees	11,500,000	100	11,500,000	100

d) Details of shares held by promoters

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
As at 31 March 2023					
Raymond Limited and its nominees	11,500,000	-	11,500,000	100%	-
Total	**11,500,000**	**-**	**11,500,000**		
As at 31 March 2022					
Raymond Limited and its nominees	11,500,000	-	11,500,000	100	-
Total	**11,500,000**	**-**	**11,500,000**		

d) Bonus shares/ buy back/shares for consideration other than cash issued during past five years:

(i) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash - Nil
(ii) Aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil
(iii) Aggregate number and class of shares bought back - Nil

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Everblue Apparel Limited
Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2023

Note 12 - Non Current Borrowings

	As at 31 March 2023 (Rs in lakhs)	As at 31 March 2022 (Rs in lakhs)
Secured		
Term loans		
From bank #	11.20	146.69
Unsecured		
Loan from Holding Company - Raymond Limited ##	1,400.00	1,400.00
Interest accrued but not due on borrowings	264.60	132.30
Total	**1,675.80**	**1,678.99**

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.146.69 lakhs (31 March 2022 : Rs. 291.02 lakhs) secured by equitable mortgage of industrial land and building thereon situated at Dodaballapur, Bangalore.

Terms of repayment
A. Repayment will commence after 6 months of moratorium period from date of disbursement i.e 18 March 2019.
53 equal instalments of Rs. 9.25 lakhs per month and 54 instalment of Rs. 9.75 lakhs.
Interest rate at 1 year MCLR+ 0.75 % i.e 10.25% p.a. as at 31 March 2023 (31 March 2022: 7.75%).
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. 9.25% p.a. as at 31 March 2023 (31 March 2022: 8.60%).

Instalments falling due within twelve months of the year end aggregating Rs. 135.49 lakhs (31 March 2022: Rs. 144.33 lakhs) in respect of all the loans has been grouped under 'Current maturities of long term debt' (Refer Note 15)

Terms of repayment of loan from Raymond Limited - Holding Company

The loan amounting to Rs. 1,400 lakhs is due for payment on 30 April 2026 (as at 31 March 2022: Rs. 1,400 lakhs). Rate of interest as at year end 10.50% p.a (as at 31 March 2022: 10.50% p.a)

The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 28.

Note 13- Other non - current liabilities

Government grant [Refer note 13 (a)]	17.72	37.24
Total	**17.72**	**37.24**

Note- 13 (a) Movement of Government grant

Opening: Government grant	72.54	105.38
Add: Addition during the year	-	-
Less: released to statement of profit and loss	19.51	32.84
Closing: Government grant	**53.03**	**72.54**
Current portion	35.30	35.30
Non-current portion	17.72	37.24
Total	**53.02**	**72.54**

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 below. 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 2023 (Rs in lakhs)	As at 31 March 2022 (Rs in lakhs)
Non-current		
Provision for employee benefits [Refer note 31]		
Leave entitlement	155.00	120.98
Total	**155.00**	**120.98**
Current		
Provision for employee benefits [Refer note 31]		
Leave entitlement	37.71	28.97
Gratuity	83.22	87.16
Total	**120.93**	**116.13**

Note 15- Current borrowings

Secured		
Working capital loan from banks	-	-
Current maturities of long-term debt	135.49	144.33
Total	**135.49**	**144.33**

Nature of security
Amount of Rs. Nil (31 March 2022: Rs. Nil Lakhs) primarily secured by entire current assets both present and future and collaterally secured by equitable mortgage of industrial land and building thereon situated at Dodaballapur, Bangalore, Karnataka.

Note 16- Trade payables

Total outstanding dues of Micro Enterprises and Small Enterprises [Refer note 16 (a)]	158.76	70.78
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	429.27	774.96
Total	**588.02**	**845.74**

(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 2023	31 March 2022
a) The principal amount remaining unpaid to any supplier at the end of the year	158.76	70.78
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no material overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date.

(b) Refer Note 34 for information about liquidity risk and market risk of trade payables.

Ageing of Trade payables

(Rs in lakhs)

	Outstanding for following periods from due date of payment						
	Not due	Less than 6 Months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2023							
Total outstanding dues of Micro Enterprises and Small Enterprises	72.96	85.80	-	-	-	-	158.76
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	204.19	193.62	-	30.93	0.53	-	429.27
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**277.15**	**279.42**	**-**	**30.93**	**0.53**	**-**	**588.03**
As at 31 March 2022							
Total outstanding dues of Micro Enterprises and Small Enterprises	-	70.77	0.01	-	-	-	70.78
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	171.76	593.01	7.66	1.89	0.64	-	774.96
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**171.76**	**663.78**	**7.67**	**1.89**	**0.64**	**-**	**845.74**

Note 17- Other financial liabilities

	As at 31 March 2023 (Rs in lakhs)	As at 31 March 2022 (Rs in lakhs)
(a) Capital creditors	26.95	22.23
(b) Salary and wages payable	698.24	660.89
(c) Payable to holding company [Refer note 32]	160.01	198.76
Total	**885.20**	**881.88**

Note 18- Other current liabilities

Statutory dues	107.73	102.20
Government grant [Refer note 13]	35.30	35.30
Advances from customers	23.26	-
Rent equalisation	1.58	1.58
Total	**167.87**	**139.08**

Note 19- Revenue from operations

	Year ended 31 March 2023 (Rs in lakhs)	Year ended 31 March 2022 (Rs in lakhs)
Sale		
Goods	(15.51)	70.68
Job work	9,995.36	9,406.98
Total	**9,979.85**	**9,477.66**

Disclosure as per Ind AS 115

A The operations of the Company are limited to only one segment viz. Job work charges of Denim (fabric) textiles and related products. Revenue from contract with customers is from sale of manufactured goods and sale of services. Sale of goods are made at a point in time and revenue is recognised upon satisfaction of the performance obligations which is typically upon dispatch / delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established. There is no significant financing component as the credit period provided by the Company is not significant.

B **Disaggregation of revenue:**

Nature of segment	**Year ended 31 March 2023**	**Year ended 31 March 2022**
A. Major Product/Service line:		
- Sale of Job work services	9,995.36	9,406.98
- Sale of products	(15.51)	70.68
Total revenue from contracts with customers	**9,979.85**	**9,477.66**
B. Primary geographical market:		
-In India	9,979.85	9,477.66
-Outside India	-	-
Total revenue from contracts with customers	**9,979.85**	**9,477.66**
C. Timing of the revenue recognition:		
- Goods/Services transferred at a point in time	9,979.85	9,477.66
- Goods/Services transferred over time	-	-
Total revenue from contracts with customers	**9,979.85**	**9,477.66**

C **Reconciliation of Revenue from operations**

Contract Price	10,001.63	9,477.66
Less:-		
Sales return and others	21.78	-
Total Revenue from operation	**9,979.85**	**9,477.66**

Note 20- Other income

Interest income	1.84	1.99
Government grant amortised [Refer note 13 (a)]	19.51	32.84
Compensation received from NHAI for Compound Wall [Refer note a below]	-	37.56
Miscellaneous income	5.98	11.55
Total	**27.33**	**83.94**

Note (a): During the previous year, the Company had received compenstation agianst the representation made to Karnataka Industrial Area Development Board (KIADB) towards possible loss of civil construction on account of 1.50 acres land required to be surrendered to National Highway Authority of India (NHAI) in an earlier year.

Note 21A - Change in value of contract assets [Refer note 1.2 (h)]

Opening stock- accumulated costs on conversion contract- in process	469.30	330.53
Closing stock- accumulated costs on conversion contract- in process	(438.19)	(469.30)
	31.11	**(138.77)**

Note 21B- Changes in inventories of finished goods and work-in-progress

Opening inventories		
Work-in-progress	11.69	-
Finished goods	24.64	-
	36.33	**-**
Closing inventories		
Work-in-progress	0.91	11.69
Finished goods	135.93	24.64
	136.84	**36.33**
Total	**(100.51)**	**(36.33)**

Note 22- Cost of materials consumed

Raw materials consumed		
Opening stock	148.51	28.48
Purchases (net)	45.93	199.19
Less : closing stock	(75.47)	(148.51)
Total	**118.97**	**79.16**

Note 23- Employee benefits expense

Salaries and wages	5,414.79	4,686.65
Contribution to provident fund and other funds [Refer note 31]	520.61	428.04
Gratuity [Refer note 31]	100.39	62.99
Workmen and staff welfare expenses	475.78	386.76
Total	**6,511.57**	**5,564.44**

	Year ended 31 March 2023 (Rs in lakhs)	Year ended 31 March 2022 (Rs in lakhs)
Note 24- Finance costs		
Interest expense	187.76	195.45
Total	**187.76**	**195.45**
Note 25- Depreciation and amortization expense		
Depreciation on property, plant and equipment	210.33	209.34
Amortization of intangible assets	8.74	9.71
Total	**219.07**	**219.05**
Note 26A- Manufacturing and operating costs		
Consumption of stores and spare parts	491.98	463.32
Power and fuel	561.56	464.11
Job work charges	273.08	1,192.73
Repairs to buildings	15.25	3.11
Repairs to machinery	66.47	61.83
Machine hire charges [Refer note 32 and 36]	811.87	756.33
Total	**2,220.21**	**2,941.43**
Note 26B- Other expenses		
Rent [Refer note 36]	88.23	79.00
Insurance	32.10	22.58
Rates and taxes	9.07	8.34
Legal and professional expenses	122.92	102.54
Travelling & conveyance	26.66	22.66
Security charges	78.73	65.80
Housekeeping charges	84.24	71.91
Miscellaneous expenses	270.11	169.63
Total	**712.06**	**542.46**
(a) Legal and professional expenses include:		
Auditors' remuneration and expenses		
Audit fees (Including goods and service tax)	5.31	5.31
Reimbursement of out-of-pocket expenses	0.35	0.35

27 Earnings per share (EPS)

	As at 31 March 2023	As at 31 March 2022
Basic and Diluted :		
Profit as per the Statement of profit and loss available for equity shareholders (Rs. In lakhs)	77.21	156.40
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)	0.67	1.36

Note 28 :Assets hypothecated as security
The carrying amounts of assets pledged as security for current and non-current borrowings are:

Current Assets		
Trade receivables	1,412.07	725.60
Inventories	251.70	218.53
Cash and cash equivalents	1.55	855.92
Other current assets	486.97	513.26
Total Current assets Hypothecated as security	**2,152.29**	**2,313.31**
Non Current Assets		
Land	567.10	567.10
Building	1,071.69	1,108.25
Total non-current assets Hypothecated as security	**1,638.79**	**1,675.35**
Total assets hypothecated as security	**3,791.08**	**3,988.66**

Note 29 : 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	27.93	7.12
	27.93	**7.12**
Less: Capital advances	6.76	3.13
Net Capital commitments	**21.17**	**3.99**

(b) Provident Fund
The Honourable Supreme Court ,in one of the matters considered by it , has passed decision on 28 February,2019 in relation to non-exclusion of certain allowances from the definition of "Basic Wages" of the relevant employees for the purpose of determining contribution to provident fund under the Employees Provident Fund & Miscellaneous Provisions Act ,1952. Considering the uncertainites on the applicability of the judgement to the Company with respect to timing and components of its compensation structure , past provident fund liability , is currently not determinable . Accordingly , the Company has been advised to await further developments in this matter to reasonably assess the implications on its financial statements, if any .

(c) Contingent Assets - There are no continent assets as on 31 March 2023 and 31 March 2022.

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(Rs in lakhs)

Note 30- Income taxes	**As at 31 March 2023**	**As at 31 March 2022**
i. The following table provides the details of income tax assets and liabilities:		
Non-current		
a) Income tax assets	223.12	87.90
b) Current income tax liabilities	-	-
Current tax assets (net)	**223.12**	**87.90**

Tax expense recognised in the statement of profit and loss

(Rs in lakhs)

	Year ended 31 March 2023	**Year ended 31 March 2022**
Current tax		
Current year	17.85	30.37
Total current tax	**17.85**	**30.37**
Deferred tax		
Origination and reversal of temporary difference	5.73	(22.43)
Total deferred income tax expense	**5.73**	**(22.43)**
Tax in respect of earlier years	6.15	-
Total tax charge in respect of earlier years	**6.15**	**-**
Total income tax expense/(credit)	**29.73**	**7.94**

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 2023**	**Year ended 31 March 2022**
Enacted income tax rate in India	27.82%	27.82%
Profit before tax	106.94	194.71
Income Tax expense as per enacted rate	29.75	54.17
Tax effect of adjustment to reconcile income tax expenses as per enacted rate with reported income tax expenses:		
Others	5.41	3.73
Compensation received from NHAI for Compound Wall	-	(10.45)
Minimum alternate tax credit	(17.85)	(30.37)
Minimum alternate tax charge	17.85	30.37
Capital Subsidary - Ind AS Adjustment	(5.43)	(9.14)
Total income tax expense/(credit)	**29.73**	**38.31**

The movement in deferred tax assets and liabilities during the year ended 31 March 2022 and 31 March 2023:

(Rs in lakhs)

Movement during the year ended 31 March 2023	As at 1 April 2022	Credit/(charge) in statement of profit and loss	Credit/(charge) in other comprehensive income	As at 31 March 2023
Deferred tax assets/(liabilities)				
Provision for post retirement benefits and other employee benefits	158.06	32.47	(4.78)	185.75
Depreciation and amortisation	(327.34)	30.46	-	(296.88)
Unabsorbed tax depreciation - Refer note below	224.04	(86.51)	-	137.53
Total	**54.76**	**(23.58)**	**(4.78)**	**26.40**
Mat credit entitlement - Refer note below	159.94	17.85	**-**	177.79
Total	**214.70**	**(5.73)**	**(4.78)**	**204.19**

(Rs in lakhs)

Movement during the year ended 31 March 2022	As at 1 April 2021	Credit/(charge) in statement of profit and loss	Credit/(charge) in other comprehensive income	As at 31 March 2022
Deferred tax assets/(liabilities)				
Provision for post retirement benefits and other employee benefits	84.86	66.48	6.72	158.06
Depreciation and amortisation	(340.09)	12.75	-	(327.34)
Unabsorbed tax depreciation - Refer note below	341.58	(117.54)	-	224.04
Total	**86.35**	**(38.31)**	**6.72**	**54.76**
Mat credit entitlement-Refer note below	**129.57**	**30.37**	**-**	159.94
Total	**215.92**	**(7.94)**	**6.72**	**214.70**

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.

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 2023	**As at 31 March 2022**
Present value of plan liabilities	353.62	319.73
Fair value of plan assets	270.40	232.57
Plan liability net of plan assets	**83.22**	**87.16**

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 2021	259.64	248.63	11.01
Current service cost	62.31	-	62.31
Interest expense/(income)	16.25	15.57	0.68
Total amount recognised in profit or loss	**78.56**	**15.57**	**62.99**
Remeasurements			
Return on plan assets excluding amounts included in interest expense/(income)	-	1.41	(1.41)
(Gain)/loss from changes in demographic assumptions	(0.05)	-	(0.05)
(Gain)/loss from changes in financial assumptions	(8.94)	-	(8.94)
Experience (gains)/losses	34.56	-	34.56
Total amount recognised in other comprehensive income	**25.57**	**1.41**	**24.16**
Employer contributions	-	11.00	(11.00)
Benefit payments	(44.04)	(44.04)	-
As at 31 March 2022	**319.73**	**232.57**	**87.16**

(Rs. in lakhs)

Particulars	Plan liabilities	Plan assets	Net amount
As at 1 April 2022	319.73	232.57	87.16
Current service cost	94.55	-	94.55
Interest expense/(income)	21.42	15.58	5.84
Total amount recognised in profit or loss	**115.97**	**15.58**	**100.39**
Remeasurements			
Return on plan assets excluding amounts included in interest expense/(income)	-	(2.39)	2.39
(Gain)/loss from changes in demographic assumptions	-	-	-
(Gain)/loss from changes in financial assumptions	(14.37)	-	(14.37)
Experience (gains)/losses	(5.19)	-	(5.19)
Total amount recognised in other comprehensive income	**(19.56)**	**(2.39)**	**(17.17)**
Employer contributions	-	87.16	(87.16)
Benefit payments	(62.52)	(62.52)	-
As at 31 March 2023	**353.62**	**270.40**	**83.22**

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

The Company expects to contribute Rs 179.58 lakhs to the funded plans in financial year 2022-2023 (2021-22 : Rs. 181.71 lakhs)

C. Assets **(Rs. in lakhs)**

	Defined benefit plans	
	As at 31 March 2023	**As at 31 March 2022**
Unquoted		
Insurer managed funds	270.40	232.57
Total	**270.40**	**232.57**

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 2023	**As at 31 March 2022**
Financial Assumptions		
Discount rate	7.35%	6.70%
Salary escalation rate	2.00% p.a. for the next 3 years 5.50% p.a. thereafter	2.00% p.a. for the next 3 years 5.50% p.a. thereafter
Employee turnover rate	7% for staff & 13% for operators	7% for staff & 13% for operators

Demographic Assumptions
Mortality in Service : Indian Assured Lives Mortality (2012-14) Urban table mortality in retirement

E. Sensitivity

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

(Rs in lakhs)

	Change in assumption	Increase in assumption		Decrease in assumption	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
Discount rate	1%	(20.14)	(18.67)	(20.84)	21.01
Salary escalation rate	1%	22.58	21.33	0.51	(19.27)
Employee turnover	1%	22.97	(0.70)	0.28	0.56

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. Expected cash flows over the next (valued on undiscounted basis) as follows :

(Rs. in lakhs)

	Defined benefit obligation	
	As at 31 March 2023	As at 31 March 2022
1st Following Year	33.21	30.66
2nd Following Year	33.53	32.10
3rd Following Year	34.38	32.47
4th Following Year	38.84	31.94
5th Following Year	44.32	34.10
6th to 10 th Year	178.01	153.04

(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 520.61 lakhs (31 March 2022: Rs 428.04 lakhs).

(iii) Leave Obligations :

The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year and provision of Rs 192.71 lakhs has been made as at 31 March 2023 (31 March 2022: Rs 149.95 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) Joint Venture of Holding company where transactions have taken place :-	
Raymond UCO Denim Private Limited	India

c) Key Management Personnel

Name of Related Party	Relationship
Arun Agarwal (w.e.f. 22 July 2021)	Director
S.K.Gupta (till 22 July 2021)	Director
Prasad Thakur	Manager and Director
Vijay Nana Patil	Director
Aruna Subhramanian (till 19 April 2021)	Company Secretary
Rakesh Darji (w.e.f 28 March 2022)	Company Secretary
Ashok Kumar Bansal	Chief Financial Officer

B. Nature of Transactions

		Year ended 31 March 2023 Rs in lakhs	Year ended 31 March 2022 Rs in lakhs
Rendering of services			
Raymond UCO Denim Private Limited	Joint venture	9,922.54	9,400.19
Reimbursement of expenses / purchase			
Raymond Limited	Holding Company	146.58	97.39
Raymond UCO Denim Private Limited	Joint venture	29.47	2.45
Finance cost			
Raymond Limited	Holding Company	147.00	147.00
Machine Hire Charges Paid			
Raymond UCO Denim Private Limited	Joint venture	660.00	660.00
Remuneration Paid			
Ashok Kumar Bansal		33.45	32.03
a) Short- term employee benefits		1.90	1.56
b) Post- employment benefits		-	-
Total compensation **		1.90	1.56

** The remuneration to Key management personnel does not include provision for employee benefits determined on actuarial basis.

C. Outstanding balances:		As at 31 March 2023 Rs in lakhs	As at 31 March 2022 Rs in lakhs
Interest accrued			
Raymond Limited	Holding Company	264.60	132.30
Other financial liabilities			
Raymond Limited	Holding Company	160.01	198.76
Borrowings			
Raymond Limited	Holding Company	1,400.00	1,400.00
Trade receivables			
Raymond UCO Denim Private Limited	Joint Venture	1,408.01	718.13

- All the transactions stated above with related parties are on arm’s length basis.

(This space has been intentionally left blank)

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 2023 were as follows:

(Rs in lakhs)

Financial Assets and Liabilities as at 31 March 2023	**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	-	-	-	-	-	-	-	-	-	-	94.65	94.65	94.65
Trade receivable	-	-	-	-	-	-	-	-	-	-	1,412.07	1,412.07	1,412.07
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	1.55	1.55	1.55
Bank balances other than cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	10.96	10.96	10.96
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,519.23**	**1,519.23**	**1,519.23**

(Rs in lakhs)

Financial Assets and Liabilities as at 31 March 2023	Routed through statement of profit and loss				Routed through other comprehensive income				Carried at amortised cost				Total Amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial liabilities													
Borrowings	-	-	-	-	-	-	-	-	-	-	1,811.29	1,811.29	1,811.29
Other financial liabilities	-	-	-	-	-	-	-	-	-	-	885.20	885.20	885.20
Trade payables	-	-	-	-	-	-	-	-	-	-	588.03	588.03	588.03
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,284.52**	**3,284.52**	**3,284.52**

The carrying value and fair value of financial instruments by categories and hierarchy as at 31 March 2022 were as follows:

(Rs in lakhs)

Financial Assets and Liabilities as at 31 March 2022	Routed through statement of profit and loss				Routed through other comprehensive income				Carried at amortised cost				Total Amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial assets													
Other financial assets	-	-	-	-	-	-	-	-	-	-	95.05	95.05	95.05
Trade receivable	-	-	-	-	-	-	-	-	-	-	725.60	725.60	725.60
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	855.92	855.92	855.92
Bank balances other than cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	10.48	10.48	10.48
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,687.05**	**1,687.05**	**1,687.05**
Financial liabilities													
Borrowings	-	-	-	-	-	-	-	-	-	-	1,823.32	1,823.32	1,823.32
Other financial liabilities	-	-	-	-	-	-	-	-	-	-	881.88	881.88	881.88
Trade payables	-	-	-	-	-	-	-	-	-	-	845.74	845.74	845.74
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,550.94**	**3,550.94**	**3,550.94**

Everblue Apparel Limited
Summary of the significant accounting policies and other explanatory information as at and for the year ended 31 March 2023

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 2023**	**As at 31 March 2022**
Borrowings bearing variable rate of interest	146.69	291.03
50 bp increase- decrease in profits	0.73	1.46
50 bp decrease- Increase in profits	(0.73)	(1.46)

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 2023	**As at 31 March 2022**
Not due	1,409.71	725.31
0-6 months	2.36	0.29
6-12 months	-	-
Beyond 12 months	-	-
Total	**1,412.07**	**725.60**

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)

	31 March 2023				**31 March 2022**			
	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)	135.49	1,675.80	-	1,811.29	144.33	1,678.99	-	1,823.32
Short-term borrowings	-	-	-	-	-	-	-	-
Trade payables	588.02	-	-	588.02	845.74	-	-	845.74
Other financial liabilities	885.20	-	-	885.20	881.88	-	-	881.88
Total	**1,608.71**	**1,675.80**	**-**	**3,284.51**	**1,871.95**	**1,678.99**	**-**	**3,550.94**

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

	As at 31 March 2023	**As at 31 March 2022**
Floating Rate		
Working capital loan	750.00	750.00
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 2023 (Rs in lakhs)	As at 31 March 2022 (Rs in lakhs)
Net debt #	1,809.74	967.40
Total equity	1,500.00	1,410.40
Net Debt to Total Equity	121%	69%

In the long run, the Company's strategy is to maintain a gearing ratio between 80% to 160%.

 # Net debt reconciliation

	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalents	1.55	855.92
Non- current borrowings	1,546.69	1,691.02
Current borrowings	-	-
Interest Payable	264.60	132.30
Net Debt	**1,809.74**	**967.40**

	Cash and cash equivalents	Non current borrowings	Current borrowings	Interest Payable	Total
Net as at 01 April 2021	**332.48**	**1,824.94**	**309.34**	**135.98**	**1,937.78**
Cash flows	523.44	(133.92)	(309.34)	-	(966.70)
Finance Cost Expense	-	-	-	195.45	195.45
Finance Cost Paid	-	-	-	(199.13)	(199.13)
Net as at 31 March 2022	**855.92**	**1,691.02**	**-**	**132.30**	**967.40**
Cash flows	(854.37)	(144.33)	-	-	710.04
Finance Cost Expense	-	-	-	187.76	187.76
Finance Cost Paid	-	-	-	(55.46)	(55.46)
Net as at 31 March 2023	**1.55**	**1,546.69**	**-**	**264.60**	**1,809.74**

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 2023 Rs in lakhs	Year ended 31 March 2022 Rs in lakhs
Short term leases	895.98	831.21
Leases of low value assets	4.13	4.13
Total lease expenses	**900.11**	**835.34**

Note 37 : Analytical Ratios

Ratio	Basis		31 March 2023	31 March 2022	% change
Current ratio	Current Assets / Current Liabilities	Times	1.14	1.09	4%
Debt- Equity Ratio	Total Debt / Total Equity	%	121%	129%	-7%
Debt Service Coverage Ratio #	Earnings for debt service / Debt Service	Times	1.46	1.73	-16%
Return on Equity Ratio	Profit After Tax / Average Equity	%	5.31%	11.66%	-55%
Inventory Turnover Ratio	Cost of Goods Sold / Avg. Inventory	Times	0.08	0.30	-74%
Trade Receivable Turnover Ratio	Revenue from Operations / Average Trade Receivables	Times	9.34	11.86	-21%
Trade Payable Turnover Ratio	Cost of Goods Sold / Average Trade Payables	Times	0.03	0.07	-63%
Net Capital Turnover Ratio	Revenue from Operations / Working Capital ^	Times	37.56	48.20	-22%
Net Profit Ratio	Net Profit After Tax / Revenue from operations	%	0.77%	1.65%	-53%
Return on Capital Employed	Earnings before Interest and Tax / Capital Employed *	%	9.01%	11.75%	-23%
Return on Investment ##			NA	NA	NA

Earnings for Debt Service = Net Profit after tax + Depreciation and amortisation expense + Finance costs, Debt Service = Principal Repayments +Finance costs (recognised)

^ Working Capital = Current Assets - Current Liabilities

* Capital Employed = Average of equity and total borrowings

This ratio is not applicable since Company has no investments

1 Return on Equity Ratio: Decrease of the 55% is on account of the profit earned in the current year has been decreased by Rs 79.19 lakhs i.e. 50% from the previous year.
2 Inventory Turnover Ratio: This ratio has been impacted since in the current year Company has more Inventory as compared to that of Previous year because of increase in the FInished goods .
3 Trade Payable Turnover Ratio: Variance of 63% in current year is mainly due to decrease in cost of goods sold by 56% and corresponding decrease in Trade payables by 30% only.
4 Net Profit Ratio: Decreased by 53% in current year is mainly due to decline in profit for the current year by 50% approx.

Note 38 : Segment Reporting

The Company's business activity falls within a single primary business segment of "Manufacturing of Denim Garments" as a job processor and one reportable geographical segment which is "within India". Accordingly, the Company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment". Further the Company meets the quantitative threshold as mentioned in Ind AS 108 and hence separate information has been disclosed below:

The Company having combined revenue of more than 10% with the related parties amounts to Rs.9,922.54 lakhs (31 March 2022 : Rs 9,400.19 lakhs). Further there is no external customer having revenue of more than 10%.

Note 39 : As at 31 March 2023 and 31 March 2022 there are no foreign currency payables or receivables.

Note 40 : Figures of the previous year has been re-grouped/re-arranged wherever necessary. The impact of the same is not material to the users of financial statement.

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: 08 May 2023

For and on behalf of Board of Directors

Sd/-
Prasad Thakur
Manager and Director
DIN: 07278555
Place: Mumbai

Sd/-
Vijay Patil
Director
DIN: 07173161
Place: Mumbai

Sd/-
Ashok Kumar Bansal
Chief Financial Officer
Place: Banglore

Sd/-
Rakesh Darji
Company Secretary
Place: Mumbai

Date: 08 May 2023

JK FILES & ENGINEERING LIMITED

(FORMERLY KNOWN AS JK FILES (INDIA) LIMITED)

ANNUAL REPORT 2022-23

BOARD OF DIRECTORS	SHRI RAVIKANT UPPAL
	SHRI SATISH SEKHRI
	SHRI VIJAY BHATT
	SHRI GAUTAM HARI SINGHANIA
	SHRI BALASUBRAMANIAN VISHWANATHAN
	SMT. RASHMI MUNDADA
MANAGING DIRECTOR	SHRI BALASUBRAMANIAN VISHWANATHAN
CEO (TOOLS & HARDWARE)	SHRI HUKUMCHAND LAKHOTIYA
CHIEF FINANCIAL OFFICER	SHRI ARUN AGARWAL
COMPANY SECRETARY	SHRI AKSHAT CHECHANI
STATUTORY AUDITORS	MESSRS. PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
SECRETARIAL AUDITOR	MESSRS. DM & ASSOCIATES, COMPANY SECRETARIES LLP
INTERNAL AUDITORS	MESSRS. ERNST & YOUNG LLP
REGISTERED OFFICE	NEW HIND HOUSE, NAROTTAM MORARJI MARG, BALLARD ESTATE, MUMBAI – 400 001, MAHARASHTRA

JK FILES & ENGINEERING LIMITED
(formerly known as JK FILES (INDIA) LIMITED)
CIN: U27104MH1997PLC105955

DIRECTORS' REPORT

To,
The Members of JK FILES & ENGINEERING LIMITED

Your Directors present their **Twenty Sixth** Annual Report on the business and Operations of the Company together with the Audited Financial Statements for Financial Year ended March 31, 2023.

1. FINANCIAL HIGHLIGHTS / OPERATIONAL PERFORMANCE

This company manufactures steel files and cutting tool and markets, hands tools and power tools. It is the leading manufacturer of steel files in the world with a domestic market share of ~60%.

Your Company reported a Standalone Gross Revenue of Rs. 494.31 Crore for the FY 2023 (Previous Year: Rs. 502.92 Crore). The Company registered a profit before exceptional item of Rs. 47.15 Crore (Previous year profit of Rs. 64.95 Crore). The Company registered a Profit after Tax of Rs. 33.12 Crore (Previous Year: Profit of Rs. 58.71 Crore).

On a consolidated basis, during the year under review, the Company reported a Gross Revenue of Rs. 864.08 Crore for the FY 2023 as against Rs. 812.01 for the FY 2022 Crore. Profit after Tax on a consolidated basis for FY 2023 was Rs 72.36 Crores, FY 2022 was Rs. 84.42 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.

3. DETAILS OF OPERATIONS AND STATEMENT OF AFFAIRS

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.

4. DIVIDEND

In order to preserve the resources of the Company, your Directors do not recommend any dividend for the Financial Year 2022-23.

5. RESERVES

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

6. INITIAL PUBLIC OFFER

The Company filed a Draft Herring Prospectus with Securities and Exchange Board of India on December 08, 2021 for undertaking an initial public offer of equity shares of the Company for an amount not exceeding Rs. 800 Crore. The approval from SEBI on the document was received on February 23, 2022.

The Company is yet to file the Red Herring Prospectus and is optimistic on accessing the capital market in FY2023-24.

7. SUBSDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

RING PLUS AQUA LIMITED (RPAL)

This company is in the business of manufacturing ring gears, flexplates and water pump bearings. RPAL operates three manufacturing facilities in India located in the industrial belt of Nashik, Maharashtra. During FY 2022-23, the Gross Revenue of the company stood at Rs. 374.81 Crore (Previous Year: Rs. 312.02 Crore). The Company reported a profit after tax of Rs. 39.11 Crore during FY 2022-23 (Previous Year: Profit of Rs. 38.73 Crore).

JK TALABOT LIMITED

Your company holds 90% of equity shares of this company and the remaining 10% equity shares are held by M.O.B. Mondelin SAS, France.

This company manufactures files and rasps at its plant at Chiplun in Ratnagiri District, in the State of Maharashtra. During FY 2022-23, the Gross Revenue of the company stood at Rs. 30.81 Crore (Previous Year: Rs. 28.56 Crore). The Company reported a profit after tax of Rs. 51.68 Lakh during FY 2022-23 (Previous Year: Rs. 88.03 Lakh).

SCISSORS ENGINEERING PRODUCTS LIMITED

The Company is in the business of manufacturing shaft ball and/or various types of bearings and components there off used in carrier vehicles and other self-motivated transport vehicles and in all types of plant and machineries and equipments. The Gross Revenue of the company stood at Rs. 0.80 lakhs and the Company reported a loss of Rs. 1.63 lakhs during the current year.

8. 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.

9. AUDITORS

a. STATUTORY AUDIT

M/s Price Waterhouse Chartered Accountants LLP (ICAI Firm Registration Number FRN 012754N/N500016), registered with the Institute of Chartered Accountants of India, were appointed as the Statutory Auditor of the Company for the period of five consecutive years at the Annual General Meeting (AGM) of the members held on May 14, 2022 to hold office from the conclusion of the 25th Annual General meeting of the company till the conclusion of the 30th Annual General meeting at a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors.

The Statutory Auditors’ Report forms part of the Annual Report. There is no audit qualification, reservation or adverse remark for the year under review. There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

b. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s. DM & Associates Company Secretaries LLP to undertake the Secretarial Audit Report of the Company. The Secretarial Audit Report is included as **Annexure – A** and forms an integral part of this Report. There is no secretarial audit qualification for the year under review.

10. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new / revised standard operating procedures. The Company has entrusted the internal and operational audit to M/s. Ernst & Young LLP, a reputed firm of Chartered Accountants.

The thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of control mechanism. The Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken.

11. SECRETARIAL STANDARDS

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

12. 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.

13. SHARE CAPITAL

The paid-up Share Capital as on March 31, 2023 was Rs. 10.48 Crore.

14. PUBLIC DEPOSITS

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

15. 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.

16. 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 Ravikant Uppal (DIN: 00025970), 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, there is no change in the Board of Directors of the Company.

During the year, seven Board Meetings were held, the dates and the attendance of the Directors is given below.

Directors	14.05.2023	25.07.2022	04.08.2022	15.09.2022	01.11.2022	23.01.2023	28.03.2023
Ravikant Uppal	✓	✓	✓	✓	✓	✓	✓
Rashmi Mundada	✓	✓	✓	✓	✓	✓	✓
Balasubramanian V	✓	✓	✓	✓	✓	✓	✓
Gautam Hari Singhania	✓	-	-	-	-	✓	-
Vijay Bhatt	✓	✓	✓	✓	✓	✓	✓
Satish Sekhri	✓	✓	✓	✓	✓	✓	✓

ii. DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors has given a declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013. They 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 vide Notification Number G.S.R. 804(E) dated October 22, 2020 and effective from December 01, 2020 has introduced an amendment relating to inclusion of names of Independent Directors in the Data Bank maintained by Institute of Corporate Affairs (IICA). All Independent Directors of your Company are registered with IICA.

iii. Key Managerial Personnel

As on March 31, 2023 your company has the following KMPs:

Sr. No.	Name of the Person	Designation	Date of the Appointment
1	Shri Balasubramanian V	Managing Director	17/11/2021
2	Shri Arun Agarwal	Chief Financial Officer	17/11/2021
3	Shri Akshat Chechani	Company Secretary	27/09/2021

There are no changes in the Key Managerial Personnel during the Financial Year 2022-23.

b. Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an 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 28, 2023, without the presence of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors and the Board of Directors as a whole; review the performance of the Chairman of the Company and to assess the quality, quantity and timeliness of flow of information between the management and the board of directors. The Directors expressed their satisfaction with the evaluation process.

17. COMMITTEES OF THE BOARD

The Board has constituted the following committees:

A. Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meeting of Board and its Powers) Rule, 2014, the Audit Committee was constituted. The composition of the Committee as on the date of this report is as under:

1. Shri Vijay Bhatt : Independent Director, Chairman
2. Shri Satish Sekhri : Independent Director, Member
3. Shri Balasubramanian V. : Managing Director, Member

The terms of reference of the Audit Committee are available on the website of the company viz: www.jkfilesandengineering.com.

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

SN	Name of Director	DATE OF MEETING				
		14.05.2022	04.08.2022	15.09.2022	01.11.2022	23.01.2023
1.	Shri Vijay Bhatt	✓	✓	✓	✓	✓
2.	Shri Satish Sekhri	✓	✓	✓	✓	✓
3.	Shri Balasubramanian V.	✓	✓	✓	✓	✓

B. Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Nomination and Remuneration Committee has been constituted and a policy has been framed 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 as on the date of this report is as under:

1. Shri Satish Sekhri : Independent Director, Chairman
2. Shri Ravikant Uppal : Independent Director, Member
3. Shri Rashmi Mundada : Independent Director, Member

The terms of reference of the Nomination and Remuneration Committee are available on the website of the company viz: www.jkfilesandengineering.com.

The Committee met once during the period under review. The details of the same are given below:

SN	Name of Director	DATE OF MEETING
		14.05.2022
1.	Shri Satish Sekhri	✓
2.	Shri Ravikant Uppal	-
3.	Shri Rashmi Mundada	✓

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 ₹ 79 Lakh in pursuance of its Corporate Social Responsibility. A report on CSR activities and the contents of Corporate Social Responsibility policy annexed as **Annexure B.** Pursuant to Section 135(1) of the Companies Act, 2013, the reconstituted composition of CSR Committee as on the date of this report is as under:

a) Smt. Rashmi Mundada : Chairperson, Independent Director
b) Shri Vijay Bhatt : Member, Independent Director
c) Shri Satish Sekhri : Member, Independent Director

The Committee did not meet during the year under review. However, the proposal for CSR contributions was approved through Circular Resolution dated February 14, 2023.

The CSR Policy of the Company is also available on www.jkfilesandengineering.com.

D. Stakeholders Relationship Committee

The Composition of Stakeholders Relationship Committee is an under:

a) Shri Satish Sekhri : Chairman, Independent Director
b) Shri Vijay Bhatt : Member, Independent Director
c) Shri V. Balasubramanian : Member, Managing Director

The Committee did not meet during the period under review.

E. Risk Management Committee

The Composition of the Risk Management Committee is an under:

a) Smt. Rashmi Mundada : Chairperson, Independent Director
b) Shri Vijay Bhatt : Member, Independent Director
c) Shri Satish Sekhri : Member, Independent Director
d) Shri V. Balasubramanian : Member, Managing Director

The Committee did not meet during the period under review.

F. Committee of Directors

For administrative convenience, a committee of the Board of Directors of the Company was constituted by the Board of Directors of the Company for handling day-to-day affairs of the Company.

The Composition of the Committee is as under:

a) Shri V. Balasubramanian : Non-Executive Director, Chairman
b) Smt. Rashmi Mundada : Independent Director, Member

The Committee met once during the period under review. All members were present at the meeting which was held on March 29, 2023. The details of the same are given below:

G. IPO Committee

The committee did not meet during the year under review. The Committee comprises of Shri Balasubramanian V and Shri Ravikant Uppal.

18. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Pursuant to Section 177(9) of the Companies Act, 2013, your company has formulated the Vigil Mechanism / Whistle Blower Policy to report genuine concerns to be disclosed. The policy is displayed on the Company's website (www.jkfilesandengineering.com).

19. 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.

20. 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.

21. 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, 2023, 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, 2023 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.

22. 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.

23. ANNUAL RETURN

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

24. 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, 2023 is not applicable.

25. 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.

26. 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.

27. ACKNOWLEDGEMENT

The Directors express their appreciation to all the employees for their dedication and commitment. The Directors also extend their appreciation to the Banks for their continued support and co-operation.

For JK Files & Engineering Limited
(formerly known as J.K. Files (India) Limited)

	Sd/-	**Sd/-**
	RAVIKANT UPPAL	**BALASUBRAMANIAN V.**
Mumbai	**CHAIRMAN**	**MANAGING DIRECTOR**
May 02, 2023	**DIN: 00025970**	**DIN: 05222476**

Annexure – A

Form No. MR-3
Secretarial Audit Report
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]
For the Financial Year Ended March 31, 2023

To,
The Members,
JK FILES & ENGINEERING LIMITED
NEW HIND HOUSE, NAROTTAM MORARJEE MARG,
BALLARD ESTATE,
MUMBAI - 400001

Dear Members,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JK FILES & ENGINEERING LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2023, 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, 2023 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under: **NA**;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
4. The provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings: **NA**;
5. Provisions of Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the Audit Period.

We further report that based on the compliance certificates issued by its officers and taken on record by the Board of Directors at their meeting(s) we are of the opinion that there are adequate systems and mechanism in place which are commensurate with the size and operations of the Company to monitor and ensure the compliances of the general laws, rules, regulations and guidelines made there under and also to monitor and ensure the compliances of the following laws specifically applicable to the Company:

i. Factories Act, 1948;
ii. Industries (Development & Regulation) Act, 1951
iii. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
iv. Acts prescribed under prevention and control of pollution
v. Acts prescribed under Environmental protection;
vi. Acts as prescribed under Direct Tax and Indirect Tax;
vii. Land Revenue laws of respective States
viii. Labour Welfare Act of respective States;
ix. Trade Marks Act 1999 & Indian Copy Right Act 1957;
x. The Legal Metrology Act, 2009;

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. For Income Tax laws we have relied on the Audit report issued by the Statutory Auditors.

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

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

Majority decision is carried through while there were no dissenting members' views which are to be captured and recorded as part of the minutes.

We further report that during the audit period the no specific events took place.

For DM & Associates Company Secretaries LLP
Company Secretaries

Sd/-
Dinesh Kumar Deora
Partner
FCS NO 5683
CP NO 4119

Note: This report is to be read with our letter of even date that is annexed as <u>Annexure - I</u> and forms an integral part of this report.

ANNEXURE - I

To
The Members,
JK FILES & ENGINEERING LIMITED
NEW HIND HOUSE, NAROTTAM MORARJEE MARG,
BALLARD ESTATE,
MUMBAI - 400001

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

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

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

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

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

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

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

For DM & Associates Company Secretaries LLP
Company Secretaries

Sd/-
Dinesh Kumar Deora
Partner
FCS NO 5683
CP NO 4119

Annexure B

ANNUAL REPORT ON CSR ACTIVITIES

Brief outline of the Company's CSR Policy:

The CSR Policy was approved by the Board of Directors at its Meeting held on April 28, 2014 and has been uploaded on the Company's webpage. A gist of the programs that the Company can undertake under the CSR policy is mentioned below. The CSR Policy was updated Consequent to the recent amendments in the provisions on the Meeting dated July 26, 2021.

1. The composition of the CSR Committee:

Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Smt. Rashmi Mundada	Independent Director, Chairperson	0	0
Shri Vijay Bhatt	Independent Director, Member	0	0
Shri Satish Sekhri	Independent Director, Member	0	0

2. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.jkfilesandengineering.com.

3. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **NA**

4. Amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **NA**

5. Average net profit of the company as per section 135(5): Rs. 3950 Lakhs

6. (a) Two percent of average net profit of the company as per section 135(5): Rs. 79 Lakhs
   (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. 79 Lakhs

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
79 Lakhs	NIL	NA	NA	NIL	NA

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
			State	District			Name	CSR Registration number
Providing Smart class solutions, interactive panels with accessories for digital interactive learning and digital content, interactive 3D/2D learning content.	Promoting Education	Yes	Maharashtra	Mumbai	25 lakhs	No	JK Trust, Bombay	CSR00000006
Improving the process of imparting education with the use of technology and simultaneously providing training to teachers	Promoting Education	Yes	Maharashtra	Thane	25 lakhs	No	Smt. Sulochanadevi Singhania School Trust	CSR00001808
Provide morning nutrition to 24,759 children in the form of SaiSure Multinutrient Mix with milk to feed nutritious, well-balanced breakfast and address hunger management and malnutrition in children in rural area.	Promoting healthcare including preventive healthcare	No	Karnataka		10 lakhs	No	Sri Sathya Sai Annapoorna Trust	CSR00002081
Support to the patients by accepting donations for 20 family units to equip them with basic requirements	Promoting healthcare including preventive healthcare	Yes	Maharashtra	Mumbai	10 lakhs	No	St. Jude India Child Care Centre	CSR00001026

and needs of the patient								
Providing the tools and resources for empowerment to trafficked brothel-based prostitutes and their daughters to prevent the cycle of inter-generational prostitution and help them choose better and dignified quality of life.	Promoting gender equality, empowering women	Yes	Maharashtra	Mumbai	7.5 lakhs	No	Apne Aap Women's Collective	CSR00000525
Rehabilitation of cancer patients including counselling service, therapy, prosthesis support	Promoting healthcare including preventive healthcare	Yes	Maharashtra	Mumbai	1.5 lakhs	No	Indian Cancer Society	CSR00000792

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 79 Lakh

(g) Excess amount for set off, if any

Sl. no.	Particulars	Amount (in Rs. Lakh)
i.	**Two percent of average net profit of the company as per section 135(5)**	**79**
ii.	Total amount spent for the Financial Year	0
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/-
Shri Balasubramanian V.
Managing Director
DIN: 05222476

Sd/-
Smt. Rashmi Mundada
Chairman – CSR Committee
DIN: 08086902

CONTENTS OF CORPORATE SOCIAL RESPONSIBILITY POLICY

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.
The Company's commitment to CSR projects and programmes will be by investing resources into any of the following areas.

- ✓ Eradicating hunger, poverty and malnutrition;
- ✓ Promotion of healthcare including preventive healthcare;
- ✓ Promotion of education and employment-enhancing vocational skills;
- ✓ Ensuring environmental sustainability and animal welfare including measures for reducing inequalities faced by socially & economically backward groups;
- ✓ Other focus areas as may be reviewed and included by CSR Committee, from time to time, in line with provisions of Act and in line with the emerging societal circumstances and in consideration of changing national priorities of the government.

ANNEXURE - C

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

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

A) CONSERVATION OF ENERGY :

1. Under the Green Energy initiative, the Company has installed and commissioned a "Solar Power Generation system" of 100 KW in FY 2015-16 at Chiplun. In FY 2022-23, the Company generated green power of 101 MWh thereby achieving a reduction of 85 MT of CO_2.

2. In addition to the above, various initiatives were taken during FY 2022-23 at the manufacturing units of the Company. These initiatives resulted in saving electricity and the total savings achieved during FY2022-23 was Rs. 58.13 Lakh.

Initiative	Plant	Actual Saving in (Rs. Lac)
Use of small compressor for screen carding, Jet pack & warehouse	Chiplun	₹ 7.22
Oxley 50hp old motors replacing with Energy efficient motors.	Chiplun	₹ 10.30
File Plant- 40w machine lamp replacement with 5w-LED	Chiplun	₹ 0.83
Demand reduction in power to save fixed charges.	Ratnagiri	₹ 15.18
Oxley 50hp old motors replacing with Energy efficient motors	Ratnagiri	₹ 5.71
Annealing No of charges in OFF - Peak hr	Ratnagiri	₹ 2.18
Needle file blanks Stress reliving in small furance	Ratnagiri	₹ 1.09
Induction heating for taper files	Ratnagiri	₹ 1.09
Energy saving in chilling plant	Ratnagiri	₹ 1.28
Air compressor energy saving	Ratnagiri	₹ 6.48
Replacement of 20hp brine water pump to 7.5 hp	Vapi	₹ 5.28
Replacement of 60 hp oxley motors with high efficiency motors	Vapi	₹ 1.49

B) TECHNOLOGY ABSORPTION :

1. New machines

   Various cost saving initiatives were taken through development in machine & fixtures at various plants of the Company. Savings achieved during FY 2022-23 were Rs. 45.12 Lakh. Details are given as under:

Initiative	Plant	Actual Saving in (Rs. Lac)
Winder Rewinder for Pouch packing Machine	Chiplun	₹ 8.76
Blister & pouch sealing in-house	Chiplun	₹ 0.70
Induction Forging	Vapi	₹ 35.66

2. Consumable Saving initiatives:
   In FY: 22-23, Some initiatives were taken to reduce the manufacturing cost, these initiatives helps to save around Rs. 1.50 Crs by consumable saving. Below are some major contributors to this category,

Initiative	Plant	Actual Saving in (Rs. Lac)
Change over from Caustic to Lime	Vapi	₹ 62.35
Cost saving through rate reduction in ancillary	Vapi	₹ 15.89
Utilization of the aged MD pouch inventory by pasting new MRP stickers	Chiplun	₹ 13.17
Cutting oil filtration system for drill	Chiplun	₹ 12.11
Reduction in hardening salt Consumption by 10% in First stage	Vapi	₹ 9.03

3. New packaging development:
   Through developments in packing & stores consumables during FY 2022-23, the Company made savings of approximately Rs. 16 Lakh.

4. New Product Development:
   The Company developed 10 new products which generated revenue of Rs. 4.0 Crore in FY 2021-22.

5. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): NOT APPLICABLE

6. Vendor development & Rate negotiation development:
   Various Initiatives of Vendor development & rate negotiation taken at various manufacturing units. This development generated savings of Rs. 64.06 Lakh in FY 2023-24:

Initiative	Plan	Actual Saving in (Rs. Lac)
Cutting oil -Flute grinding machine- alternative source	₹ 3.40	₹ 4.51
Rate revisit of Files Special packingElctrode material change for better life-Drill	₹ 30.00	₹ 21.56
To develop multiple suppliers for the saving & to reduce dependency on one supplier of Super drive corrugated boxes.	₹ 1.68	₹ 1.75
Drill Parting Out sourced	₹ 3.50	₹ 9.16
Rate revisit blackodising	₹ 1.20	₹ 5.06
Reduction in cost of needle pressing tool by new vendor	₹ 1.76	₹ 1.75
Alternate source of chisel supplier	₹ 4.80	₹ 2.78
Reduction in vendor bills by 5%	₹ 2.20	₹ 7.76
Alternate supplier for wooden box	₹ 4.80	₹ 9.74

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with
Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1	Name of the subsidiary	JK Talabot Limited	Ring Plus Aqua Limited	Scissors Engineering Products Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.
3	Reporting currency & Exchange rate	INR	INR	INR
4	Share capital	8,05,44,000	7,75,66,710	18,13,13,650
5	Reserves & surplus	5,40,78,234	1,54,18,16,354	(17,94,99,689)
6	Total assets	16,98,38,667	2,60,97,75,965	19,22,576
7	Total Liabilities	3,52,17,100	99,03,90,690	1,09,000
8	Investments	-	39,57,59,370	4,930
9	Turnover	30,80,88,000	3,74,80,73,740	-
10	Profit before taxation	(41,28,500)	51,81,78,894	(1,61,903)
11	Provision for taxation	10,39,000	12,70,73,960	5,35,668
12	Profit after taxation	(30,89,500)	39,11,03,934	(6,97,571)
13	Proposed Dividend	NIL	NIL	NIL
14	% of shareholding	90%	89.07%	100%

Notes: The following information shall be furnished at the end of the statement:
1. Names of subsidiaries which are yet to commence operations.
2. Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

The Company has no associate companies/Joint venture companies.

For JK Files & Engineering Limited
(formerly known as J.K. Files (India) Limited)

Sd/-	Sd/-
RAVIKANT UPPAL	**BALASUBRAMANIAN V.**
Director	Managing Director
DIN: **00025970**	DIN: **05222476**

	Sd/-	Sd/-
Mumbai	**ARUN AGARWAL**	**AKSHAT CHECHANI**
May 02, 2023	Chief Financial Officer	Company Secretary

Independent Auditor's Report

To the Members of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited]

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited] ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the standalone financial statements and our auditor's report thereon.

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

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

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

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

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

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. As required by Section 143(3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid 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 April 01, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, on derivative contracts. Refer Note 16 to the standalone financial statements. Further, the Company has long-term contracts as at March 31, 2023 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, 2023.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 48 to the standalone financial statements);

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 48 to the standalone financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

13. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 23112433BGYMLY5871

Mumbai
May 02, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited] on the standalone financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to standalone financial statements of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited] ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited] on the standalone financial statements for the year ended March 31, 2023

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 standalone financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 23112433BGYMLY5871

Mumbai
May 02, 2023

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 & Engineering Limited [Formerly known as JK Files (India) Limited] on the standalone financial statements as of and for the year ended March 31, 2023
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i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 2 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 2(a) and 2(b) to the standalone financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (Amount in Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Leasehold Land – Chiplun	154.79	Raymond Woolen Mills Limited (Now known as Raymond Limited)	Promoter	14 years	Due to pending registration formalities with MIDC

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account (Also refer Note 14 to the standalone financial statements).

iii. (a) During the year, the Company has made investments in six other parties, provided guarantee to one financial institution. The Company has not, granted any secured / unsecured loans or advances in nature of loans or provided any security to any company, firm, Limited Liability Partnerships or any other party. Accordingly, the reporting under Clause 3(iii) (c), (iii)(d), (iii)(e) and (iii)(f) are not applicable to the Company.

The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such guarantees of parties other than subsidiaries, joint ventures and associates are as per the table given below. Further, the Company has not provided any guarantee to subsidiaries.

Particulars	**Guarantees (Amount in Rs. lakhs)**
Aggregate amount provided during the year	860.69
Balance outstanding as a balance sheet date in respect of the above case	235.27

(Also refer Note 14 to the standalone financial statements)

(b) In respect of the aforesaid investments and guarantees, the terms and conditions under which such investments were made and guarantees provided are not prejudicial to the Company's interest.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the investments made and guarantees provided. The Company has not granted any loans or provided any security to the parties covered under Sections 185 and 186.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 34 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of provident fund, service tax, duty of customs, duty of excise, cess, goods and service tax which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2023 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 West Bengal Value Added Tax Act, 2003	Sales Tax (VAT and CST)	11.49	2013-14 and 2014-15	Sales Tax Officer
The Central Sales Tax Act,1956 and Madhya Pradesh Value Added Tax Act, 2002	Sales Tax (VAT and CST)	1.77	2015-16	Deputy Commissioner
The Central Sales Tax Act,1956 and Madhya Pradesh Value Added Tax Act, 2002	Sales Tax (VAT and CST)	1.91	2017-18	Assistant Commissioner
West Bengal Value Added Tax Act, 2003	Sales Tax (VAT)	0.08	2014-15	Sr. Joint Commissioner

The Income Tax Act, 1961	Income Tax	81.02	2005-06 to 2015-16	Referred by Income Tax Appellate Tribunal to the Assessing Officer
Employees' State Insurance Act, 1948	ESIC	1.30	1975-82	High Court, Bombay
Employees' State Insurance Act, 1948	ESIC	0.87	February 2002 to March 2003	Learned Employees' Insurance Court, Kolkata
Employees' State Insurance Act, 1948	ESIC	1.38	2005-06 and 2006-07	Learned Employees' Insurance Court, Kolkata

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. Further, the Company did not have any associates or joint ventures during the year.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Further, the Company did not have any joint ventures or associate companies during the year.

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

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

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

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 43 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 23112433BGYMLY5871

Mumbai
May 02, 2023

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Standalone Balance Sheet as at 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	As at March 31, 2023	As at March 31, 2022
I	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	2(a)	3,449.11	3,442.14
	(b) Right of use assets	2(b)	1,282.95	1,515.80
	(c) Capital work - in - progress	2(c)	347.49	119.32
	(d) Goodwill	3(a)	79.41	79.41
	(e) Other Intangible assets	3(b)	0.22	0.63
	(f) Investment in subsidiaries	4	3,562.99	3,562.99
	(g) Financial assets			
	(i) Other Financial Asset	5	463.40	184.36
	(h) Deferred tax assets (net)	28(e)	-	51.61
	(i) Current tax assets (net) - non-current	28(b)	237.90	90.39
	(j) Other non - current assets	6	285.42	159.19
	Total Non-Current Assets		**9,708.89**	**9,205.84**
2	**Current assets**			
	(a) Inventories	7	6,705.55	8,659.92
	(b) Financial assets			
	(i) Investments	10	3,526.55	-
	(ii) Trade receivables	8	4,623.70	3,946.88
	(iii) Cash and cash equivalents	9	170.55	245.49
	(iv) Other financial asset	5	705.38	837.47
	(c) Current tax assets (net)- current	28(c)	-	118.10
	(d) Other current assets	11	1,479.10	1,714.74
	Total Current Assets		**17,210.83**	**15,522.60**
	TOTAL ASSETS		**26,919.72**	**24,728.44**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	12	1,048.88	1,048.88
	(b) Other equity	13	15,132.44	11,780.42
	Total Equity		**16,181.32**	**12,829.30**
2	**Liabilities**			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Lease liabilities	2(b)	1,242.92	1,390.22
	(ii) Deferred tax liabilities	28(e)	2.69	-
	Total Non Current Liabilities		**1,245.61**	**1,390.22**
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	14	735.26	840.54
	(ii) Lease liabilities	2(b)	185.17	161.77
	(iii) Trade payables	15		
	(a) total outstanding of micro and small enterprises		442.31	304.44
	(b) total outstanding other than (iii) (a) above		4,546.99	4,134.17
	(iv) Other financial liabilities	16	2,027.45	2,155.04
	(b) Provisions	17	423.02	693.87
	(c) Current tax liabilities (net)	28(d)	-	373.62
	(d) Other current liabilities	18	1,132.59	1,845.47
	Total Current Liabilities		**9,492.79**	**10,508.92**
	Total Liabilities		**10,738.40**	**11,899.14**
	TOTAL EQUITY AND LIABILITIES		**26,919.72**	**24,728.44**
	SIGNIFICANT ACCOUNTING POLICIES	1B		

The above standalone balance sheet should be read in conjunction with the accompanying notes.

This is standalone balance sheet referred to in our attached report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration N0. 012754N/N500016

For and on behalf of Board of Directors

Arunkumar Ramdas
Partner
Membership No.: 112433
Mumbai
2nd May , 2023

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
2nd May , 2023

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Standalone Statement of Profit and Loss for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	Year ended 31st March, 2023	Year ended 31st March, 2022
I	**Revenue from operations**	19	49,431.48	50,291.56
II	**Other income**	20	405.83	1,690.86
III	**Total income (I+II)**		**49,837.31**	**51,982.42**
IV	**Expenses**			
	Cost of raw materials consumed	21	15,105.69	15,874.64
	Purchases of Stock-in-Trade	22	5,264.83	5,172.04
	Changes in inventories of work-in progress, finished goods and stock-in-trade	23	1,108.50	(150.95)
	Employee benefits expense	24	6,369.54	6,721.26
	Finance costs	25	278.97	336.95
	Depreciation and amortization expense	26	768.16	856.09
	Net impairment losses (including reversals) on financial assets		(239.11)	(63.47)
	Other expenses	27	16,465.45	16,741.05
	Total expenses (IV)		**45,122.03**	**45,487.61**
V	**Profit before exceptional items and tax (III-IV)**		**4,715.28**	**6,494.81**
VI	**Exceptional Items (net)**	49	**(262.24)**	**1,186.83**
VII	**Profit before tax (V+VI)**		**4,453.04**	**7,681.64**
VIII	**Tax expense**	28		
	Current tax		1,086.63	1,634.14
	Deferred tax		54.30	163.90
	Tax charge in respect of earlier years		-	12.24
	Total Tax expenses (VIII)		**1,140.93**	**1,810.28**
IX	**Profit for the year (VII- VIII)**		**3,312.11**	**5,871.36**
X	**Other Comprehensive Income/ (loss)**			
	Items that will not be reclassified to profit or loss			
	- Remeasurements of defined benefit plans	29	53.33	(181.84)
	-Income tax relating to items that will not be reclassified to profit/loss		(13.42)	38.68
	Other Comprehensive income/ (loss) for the year, net of Tax (X)		**39.91**	**(143.16)**
XI	**Total Comprehensive Income for the year (IX+X)**		**3,352.02**	**5,728.20**
XII	**Earnings per equity share of Rs. 2 each**	32		
	Basic earnings per share (in Rs.)		6.32	11.20
	Diluted earnings per share (in Rs.)		6.32	10.27
	SIGNIFICANT ACCOUNTING POLICIES	1B		

The above standalone statement of profit and loss should be read in conjunction with the accompanying notes.

This is the standalone statement of profit and loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration N0. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433
Mumbai
2nd May , 2023

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
2nd May , 2023

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Standalone Statement of Changes in Equity for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

A. Equity Share Capital and Instruments entirely equity in nature

Particulars	Equity Share Capital	Instruments entirely in the nature of equity
	Amount	**Amount**
As at 1st April, 2021	**874.07**	**2,200.00**
Change during the year	174.81	2,200.00
As at 31st March, 2022	**1,048.88**	**-**
Change during the year	-	-
As at 31st March, 2023	**1,048.88**	**-**

B. Other Equity

Particulars	Reserves & Surplus				Total
	Securities Premium	Capital Reserve	Capital Redemption Reserve	Retained Earnings	
Balance as at 1st April, 2021	**314.50**	**-**	**-**	**5,172.19**	**5,486.69**
Profit for the year	-	-	-	5,871.36	5,871.36
Remeasurement of defined benefit obligation, net of tax	-	-	-	(143.16)	(143.16)
Total Comprehensive Income for the year	-	-	-	10,900.39	11,214.89
Dividends	-	-	-	(2,097.76)	(2,097.76)
Issue of Bonus Shares	(174.81)	-	-	-	(174.81)
Capital Reserve on common control business combination	-	2,838.10	-	-	2,838.10
Transfer (to) / from capital redemption reserve	-	-	2,200.00	(2,200.00)	-
Balance as at 31st March , 2022	**139.69**	**2,838.10**	**2,200.00**	**6,602.63**	**11,780.42**
Profit for the year	-	-	-	3,312.11	3,312.11
Remeasurement of defined benefit obligation, net of tax	-	-	-	39.91	39.91
Total Comprehensive Income for the year	-	-	-	3,352.02	3,352.02
Balance as at 31st March , 2023	**139.69**	**2,838.10**	**2,200.00**	**9,954.65**	**15,132.44**

The above standalone statement of changes in equity should be read in conjunction with the accompanying notes.

This is the standalone Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration N0. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433
Mumbai
2nd May , 2023

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
2nd May , 2023

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Standalone Statement of Cash Flows for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
A.	**Cash Flow from Operating Activities**				
	Profit before exceptional items and tax as per statement of profit and loss		4,715.28		6,494.81
	Adjustment for :				
	Depreciation and Amortisation expenses	768.16		856.09	
	Net (gain) /Loss on disposal/discard of property, plant and equipment	9.69		(9.40)	
	Interest income	(66.92)		(130.61)	
	Finance Cost	278.97		336.95	
	Unrealised (gain)/ loss on foreign exchange fluctuations	35.51		(69.41)	
	Net (gain) /Loss on sale / fair valuation of investments	(28.58)		-	
	Dividend Received	-		(1,304.81)	
	Net impairment losses (including reversals) on financial assets	(239.11)		(63.47)	
	Gain on termination of lease	(1.13)		(104.73)	
			756.59		(489.39)
	Operating profit before changes in operating Assets & Liabilities		5,471.87		6,005.42
	Decrease/(Increase) in Inventory	1,954.37		(245.59)	
	Decrease/(Increase) in Trade & Other receivables	(446.43)		(2,434.18)	
	Decrease/(Increase) in other financial assets	174.42		(807.36)	
	Decrease/(Increase) in other assets	310.60		604.47	
	Increase/(Decrease) in Trade & other Payables	548.92		(1,235.54)	
	Increase /(Decrease) in other financial liabilities	(199.90)		221.10	
	Increase /(Decrease) in other liabilities	(712.88)		517.00	
	Increase / (Decrease) in Provisions	(217.52)		(117.15)	
			1,411.58		(3,497.25)
			6,883.45		2,508.17
	(Less): Direct Taxes Paid (Net)		(1,487.83)		(1,233.38)
			5,395.62		1,274.79
	Less : Exceptional Item		(796.66)		-
	Net cash flows generated from operating activities		**4,598.96**		**1,274.79**
B.	**Cash Flow from Investing Activities**				
	Inflows				
	Proceeds from sale of property, plant & equipment		929.40		46.10
	Proceeds from repayment of Inter Corporate Deposit by related parties		-		4,000.00
	Interest received		61.97		167.75
	Dividend received from Subsidiary		-		1,304.81
			991.37		5,518.66
	Outflows				
	Purchase of property, plant & equipment (including capital work-in-progress and capital Advances)		(1,319.27)		(399.15)
	Inter Corporate Deposit placed with group companies		-		(1,100.00)
	Investment in units of Mutual Funds		(3,497.97)		-
	Margin money Deposits with Banks		(323.04)		(56.13)
			(5,140.28)		(1,555.28)
	Net cash flows generated from / (used in) investing activities		**(4,148.91)**		**3,963.38**
C.	**Cash Flow from Financing Activities**				
	Repayment of Short term borrowings (net)		(105.27)		(640.75)
	Interest Paid		(108.10)		(156.03)
	Principal elements of lease payments		(162.41)		(112.38)
	Interest on lease liabilities		(149.21)		(167.88)
	Redemption of preference share capital		-		(2,200.00)
	Dividend paid		-		(2,097.76)
			(524.99)		(5,374.80)
	Net cash flows used in financing activities		**(524.99)**		**(5,374.80)**
	Net Increase /(Decrease) in Cash and Cash Equivalents **(A+B+C)**		(74.94)		(136.63)
	Add :Cash and Cash Equivalents at the beginning of the financial Year		245.49		382.12
	Cash and Cash Equivalents as at the end of the Year		**170.55**		**245.49**

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Standalone Statement of Cash Flows for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Non-cash financing and investing activities

		Year ended 31st March, 2023	Year ended 31st March, 2022
	Acquisition of right-of-use assets	61.02	724.15
	Investment in subsidiaries	-	2,838.10
	Issue of Bonus Shares	-	174.81

The above standalone statement of cash flows should be read in conjunction with the accompanying notes.

This is the Standalone Statement of Cash Flows referred to in our report of even date.

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

Arunkumar Ramdas
Partner
Membership No.: 112433
2nd May , 2023

For and on behalf of the Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
2nd May , 2023

1 A. Corporate Information

JK Files & Engineering Limited (formerly known as JK Files (India) Limited) ("the Company") is a public Company limited by shares and domiciled in India. The Company deals in tools and hardware products. The Company have manufacturing facilities at Chiplun, Ratnagiri and Vapi. The Registered office of the Company is situated at New Hind House, Narottam Morarjee Marg, Ballard Estate, Mumbai - 400 001.

These Standalone Financial Statements were authorised for issue in accordance with a resolution of the Board of Directors on May 02, 2023.

1 B. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of the standalone financial statements. These policies have been consistently applied to all the years presented.

(a) Basis of preparation

(i) Compliance with Ind AS

The Standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, as ammended] and other relevant provisions of the Act.

(ii) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:
1)certain financial assets and liabilities (including derivative instruments) is measured at fair value;
2)assets held for sale – measured at lower of book value and fair value less cost to sell.
3)defined benefit plans – plan assets measured at fair value

(iii) New and amended standards adopted by the Company

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments 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) New and amended standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.
The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.
These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

(v) Current non-current classification

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

(vi) Rounding of amounts

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

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the standalone financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the year in which the results are known/materialised.
The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Property, plant and equipment

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses. On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on Factory Buildings and Plant and Equipment is provided on a Straight Line Method and in case of other assets on Written Down Value Method, net of their residual values, over the estimated useful lives of assets. Leasehold improvements are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery, useful life for which based on an independent technical evaluation has been estimated as 24 years from the date of acquisition (on a single shift basis), which is different from that prescribed in Schedule II of the Act.
The estimated useful lives of the property, plant and equipment are:

Class of Asset	Useful life
Buildings	60 years
Plant and machinery	24 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computers	3 years

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

(d) Intangible assets

Goodwill generated as part of business combination are not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

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

Trademarks
Trademarks acquired separately are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Amortisation method
The Company amortizes intangible assets with a future useful life using the straight-line method over following period:

Class of Asset	Useful life
Computer Software	3 years
Trademark	10 years

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

(e) Lease

As a lessee
Leases are recognised as a right-of-use asset (“ROU”) and a corresponding lease liability at the date at which leased asset is available for use by the Company for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term leases and leases of low value assets, the Company recognises the lease payments as an expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and restoration costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments which includes principal and finance cost component. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

To determine the incremental borrowing rate, the Company's where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss.

(f) Cash and Cash Equivalents
For the purpose of presentation in the Standalone Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) Inventories
Inventories of raw materials, stock in trade, stores and spares, work-in-progress, and finished goods are stated at cost or net realisable value, whichever is lower. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Cost formula used is 'Weighted Average cost'. Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(h) Investment in subsidiaries
Investment in subsidiaries is recognised at cost as per Ind AS -27.

(i) Trade Receivables
Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects the Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(k) Investments and other financial assets

(i) Classification

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

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

* those measured at amortised cost.

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

(ii) Recognition

Financial assets are initially recognised when the Company becomes party to the contractual provisions of the instrument.

(iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments:

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

• Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included within other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / other expenses. Impairment losses are presented as separate line item in the statement of profit and loss.

• Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net with other income / other expenses in the year in which it arises.

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Note 37 details how the Company determines whether there has been a significant increase in credit risk.

(v) Derecognition of financial assets

A financial asset is derecognised only when:

• the Company has transferred the rights to receive cash flows from the financial asset or

• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

(vi) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

(l) Contributed Equity

Equity shares are classified as equity. Convertible instruments such as preference shares that will be or are expected to be settled in the Company's own equity instruments are classified as equity if they are expected to be settled into a fixed number of equity shares.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(m) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(n) Derivative financial instruments

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

(o) Offsetting financial instruments

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

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the year of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the year of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income / other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(q) Borrowing costs

Interest and other borrowing costs attributable to the acquisition, construction or production of a qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other interest and borrowing costs are charged to profit or loss.

(r) Provisions, contingent liabilities and contingent assets

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

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in standalone financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in standalone financial statements unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

(s) Revenue from contracts with customers

(i) Sale of Goods
Sales are recognised when the control of the goods has been transferred to customer which is generally on delivery of goods and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, risk of obsolescence and loss have been transfer to customer and the Company has objective evidence that all criteria for the acceptance have been satisfied.

The goods are sold with retrospective volume discounts based on aggregate sales over a 12 months period.Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that is highly probable that a significant reversal will not occur.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) Sales of Services
Revenue from sale of services is recognised in the accounting year in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided.
Cash received before the goods and services are delivered is recognised as a contract liability.

(iii) Financing Components
The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(t) Employee benefits

(i) Short-term Employee Benefits:
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Defined Contribution Plans
The Company pays provident fund contributions etc. to publicly administered provident and other funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are incurred.

(iii) Post-employment obligations

Defined Benefit Plans

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

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

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

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

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calculated by actuary are recognised immediately in the Profit or Loss as past service cost.

(iv) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the year in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(v) Termination benefits

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

(u) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Standalone Financial Statements are presented in Indian rupee (INR), which is JK Files & Engineering Limited's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the respective transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in profit or loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in profit or loss.

(v) Income tax

The income tax expense or credit for the year is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

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

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

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiary, where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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

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

(w) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

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

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

(x) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director .

The board of directors of Company has appointed a Managing Director who assesses the financial performance and position of the Company, and makes strategic decisions.

(y) Impairment of non-financial assets:

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

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

(z) Non- current assets (or disposal groups) held for sale :

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (or disposal groups) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

(aa) Exceptional Item:

Exceptional item is an item of income or expense within the Statement of Profit and Loss, which is of such size, nature and incidence that its disclosure is relevant to explain the performance of the Company for the year. The nature and amount of such item is disclosed separately in the Statement of Profit and Loss.

(ab) Government Grants:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

(ac) Business Combinations:

The acquisition method of accounting is used to account for all business combinations (other than common control business combinations), regardless of whether equity instruments or other assets are acquired. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholder's equity.

1(C) Critical estimates and judgements

The preparation of Standalone Financial Statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Financial statements .

The areas involving critical estimates are:

- Estimation of Defined benefit obligation - Measurement of defined benefit obligation and related plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality. (Refer Note 29)
- Inventory write down - Inventory write downs are assessed based on slow-moving, non-moving and defective inventories considering various factors such as likely usage, obsolescence etc. (Refer Note 7)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

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Note 2(a)- Property, Plant and Equipment

	Buildings	Plant & machinery	Furniture & fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying amount							
Balance as at 1st April , 2021	**1,558.36**	**5,909.56**	**125.23**	**24.53**	**49.62**	**175.08**	**7,842.38**
Additions	10.02	229.38	1.57	44.00	6.43	39.39	330.79
Disposals/Adjustments	0.35	105.80	63.85	44.00	3.59	0.64	218.23
Balance as at 31st March , 2022	**1,568.03**	**6,033.14**	**62.95**	**24.53**	**52.46**	**213.83**	**7,954.94**
Additions	38.14	758.86	29.51	-	15.99	64.39	906.89
Disposals/Adjustments	303.91	452.12	1.17	14.86	2.41	11.67	786.14
Balance as at 31st March, 2023	**1,302.26**	**6,339.88**	**91.29**	**9.67**	**66.04**	**266.55**	**8,075.69**
Accumulated depreciation							
Balance as at 1st April, 2021	**394.91**	**3,271.45**	**99.84**	**20.66**	**38.47**	**138.32**	**3,963.65**
Charge for the year	69.73	584.81	5.65	3.04	5.07	16.24	684.54
Disposals/Adjustments	0.08	74.11	55.44	2.29	3.01	0.46	135.39
Balance as at 31st March , 2022	**464.56**	**3,782.15**	**50.05**	**21.41**	**40.53**	**154.10**	**4,512.80**
Charge for the year	62.46	467.25	3.14	0.10	5.74	25.75	564.44
Disposals/Adjustments	107.85	317.78	1.10	13.00	1.04	9.89	450.66
Balance as at 31st March, 2023	**419.17**	**3,931.62**	**52.09**	**8.51**	**45.23**	**169.96**	**4,626.58**
Net carrying amount							
Balance as at 31st March , 2022	**1,103.47**	**2,250.99**	**12.90**	**3.12**	**11.93**	**59.73**	**3,442.14**
Balance as at 31st March , 2023	**883.09**	**2,408.26**	**39.20**	**1.16**	**20.81**	**96.59**	**3,449.11**

NOTE:
1) Refer note 33 for information on Property Plant and Equipment pledged as security by the Company.
2) Refer note 35 for disclosure of contractual commitments for acquisition of Property Plant and Equipment .

Note 2(b)- Leases

This note provides information for leases where the Company is a lessee. The Company has leasehold land ranging from 95 to 99 years. The Company has also leased offices, factories and warehouses for which lease terms range from 11 months to 15 years.

(i) Amounts recognised in Standalone Balance Sheet

Set out below are the carrying amounts of right of use assets recognised and movements during the year:

Particulars	Leasehold Land	Buildings	Total right of use assets
I. Gross carrying amount			
As at 1st April, 2021	**388.53**	**1,229.47**	**1,618.00**
Additions	-	724.15	**724.15**
Disposals / Adjustments	-	578.65	**578.65**
As at 31st March, 2022	**388.53**	**1,374.97**	**1,763.50**
Additions	**-**	61.02	**61.02**
Disposals / Adjustments	83.51	15.86	**99.37**
As at 31st March, 2023	**305.02**	**1,420.13**	**1,725.15**
II. Accumulated depreciation			
As at 1st April, 2021	**12.48**	**280.73**	**293.21**
Charge for the year	6.24	161.44	**167.68**
Disposals / Adjustments	**-**	213.19	**213.19**
As at 31st March, 2022	**18.72**	**228.98**	**247.70**
Charge for the year	5.62	197.69	**203.31**
Disposals / Adjustments	7.87	0.94	**8.81**
As at 31st March, 2023	**16.47**	**425.73**	**442.20**
Net carrying amount			
As at 31st March, 2022	**369.81**	**1,145.99**	**1,515.80**
As at 31st March, 2023	**288.55**	**994.40**	**1,282.95**

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities		
Current	185.17	161.77
Non-current	1,242.92	1,390.22
Total	**1,428.09**	**1,551.99**

(ii) Amounts recognised in the standalone Statement of Profit and loss

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

Particulars	Note	Year ended 31st March, 2023	Year ended 31st March, 2022
Depreciation of right-of-use assets	26		
- Leasehold Land		5.62	6.24
- Buildings		197.69	161.44
Interest expense (included in finance costs)	25	149.21	167.88
Expense relating to short-term leases (included in other expenses)	27(b)	194.88	184.40

The total cash outflow for leases for the year ended March 31, 2023: Rs 506.50 Lakhs ; the year ended March 31, 2022 was Rs 464.66 Lakhs (including short term lease payments).

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(iii) Extension and termination options

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

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Note 2(b)- Leases
Additional Regulatory Information:-

As At 31st March , 2023 and As at 31st March ,2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Right of use asset	Land	154.79	Raymond Woolen Mills Limited now known as " Raymond Limited "	Promoter	1st October, 2009	Pending registration formalities with Maharashtra Industrial Development Corporation (MIDC) .

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Note 2(c)- Capital work - in - progress (CWIP)

	CWIP
As at 1st April, 2021	**46.33**
Additions	312.39
Capitalization	239.40
As at 31st March , 2022	**119.32**
Additions	1,025.17
Capitalization	797.00
As at 31st March , 2023	**347.49**

Notes:
i) CWIP ageing schedule

Projects in progress

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March , 2022	119.32	-	-	-	119.32
As at 31st March , 2023	347.49	-	-	-	347.49

ii) Actual cost of capital projects in progress has not exceeded the estimated cost and the actual timelines for completion of projects has not exceeded the estimated timelines in respect of the amounts reported above, as at the end of each reporting period. Accordingly, completion schedule is not presented.

iii) CWIP majorly comprises of machinery which are pending installation.

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Note 3(a) - Goodwill

Goodwill was recognised on demerger of files and tools division of Raymond Limited into the Company in earlier years. The goodwill is allocated to the single CGU in which the Company operates i.e., tools and hardware.
The carrying amount of goodwill is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Goodwill	79.41	79.41
Total	**79.41**	**79.41**

The Company has performed an impairment assessment for year ended March 31, 2023 and March 31, 2022 respectively, and considering profits earned by CGU being significantly higher than carrying amount of goodwill , no impairment on goodwill has been recognised.

Note 3(b)-Other Intangible assets

	Computer Software	Brands /trademarks	Total
Gross carrying amount			
Balance as at 1st April , 2021	**44.96**	**1,125.00**	**1,169.96**
Additions	-	-	-
Disposals	-	-	-
Balance as at 31st March , 2022	**44.96**	**1,125.00**	**1,169.96**
Additions	-	-	-
Disposals	-	-	-
Balance as at 31st March , 2023	**44.96**	**1,125.00**	**1,169.96**
Accumulated Amortisation			
Balance as at 1st April , 2021	**40.46**	**1,125.00**	**1,165.46**
Charge for the year	3.87	-	3.87
Disposals/ Adjustments	-	-	-
Balance as at 31st March , 2022	**44.33**	**1,125.00**	**1,169.33**
Charge for the year	0.41	-	0.41
Disposals/ Adjustments	-	-	-
Balance as at 31st March , 2023	**44.74**	**1,125.00**	**1,169.74**
Net carrying amount			
As at 31st March , 2022	**0.63**	**-**	**0.63**
As at 31st March , 2023	**0.22**	**-**	**0.22**

Note-4 Investment in subsidiaries

	As at March 31, 2023	As at March 31, 2022
Unquoted		
Equity instruments at cost		
JK Talabot Limited		
72,48,936 (31st March , 2022: 72,48,936) Equity Shares of Rs.10 each	724.89	724.89
Scissors Engineering Products Limited *		
1,81,31,365 (31st March, 2022:- 1.81,31,365) Equity Shares of Rs.10 each	10.00	10.00
Ring Plus Aqua Limited *		
69,08,482 (31st March, 2022:-69,08,482) Equity Shares of Rs.10 each	2,828.10	2,828.10
Total	**3,562.99**	**3,562.99**
Aggregate value of unquoted investment	**3,562.99**	**3,562.99**

* Refer Note 47

Note-5 Other financial assets
Unsecured, considered good (unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Non-current		
Security Deposits	83.72	127.73
Margin money deposit with Banks*	379.68	56.63
Total	**463.40**	**184.36**

***** Refer below
(i) Rs. 0.50 Lakhs (Previous year :- Rs 0.50 Lakhs) held with a Bank as lien with Gujarat Irrigation Department.
(ii) Rs. 379.18 Lakhs (Previous year:- Rs. 56.13 Lakhs) held with banks against various guarantees and letter of credit.

	As at March 31, 2023	As at March 31, 2022
Current		
Derivative financial instrument(Refer Note 37)	-	6.66
Receivable from Related party (Refer Note 40)*	746.46	886.69
Less: Allowance for doubtful receivable	(50.12)	(83.72)
Interest accrued	8.79	3.83
Security Deposits	0.25	0.25
Other receivables	-	23.76
	705.38	**837.47**

* includes Initial Public Offer (IPO) expenses reimbursable by the holding company, Raymond Limited (Refer Note 40).

Note-6 Other non-current assets
Unsecured, considered good (unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Capital advances	253.80	53.41
Less: Allowance for doubtful advances	-	(3.77)
Refund due from government authorities	-	60.23
Deposits with government authorities	31.62	49.32
Total	**285.42**	**159.19**

Note-7 Inventories
(Cost or Net Realisable value,whichever is lower)

	As at March 31, 2023	As at March 31, 2022
Raw materials	872.53	1,276.69
Raw material in transit	-	341.14
Work-in-progress	2,185.78	2,438.15
Finished goods	2,256.35	2,877.90
Stock-in-trade	1,110.84	1,216.14
Stock-in-trade in transit	13.05	142.33
Stores and spares	267.00	367.57
Total	**6,705.55**	**8,659.92**

Write-down of inventories are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value and in case of reversal of write-down are mainly on account of commodity price movement (steel) and changes in market demand pattern due to changes in market dynamics. Reversal of write-down of inventories amounted to Rs. 320.00 lakhs for the year ended 31st March, 2023 (Reversal of Write-down of Rs.465.98 lakhs for the year ended 31st March, 2022). These write- downs or reversal thereof were recognised as expenses / reduction of expenses and included in 'Raw material consumed', 'changes in value of inventories of finished goods, stock- in -trade and work -in- progress' and 'consumption of stores and spares' in the standalone Statement of Profit and Loss.

Note-8 Trade receivables

	As at March 31, 2023	As at March 31, 2022
Trade Receivables from related parties (Refer note 40)	13.93	241.55
Trade Receivables from other customers	4,781.82	4,082.89
Less: Loss allowances	(172.05)	(377.56)
Total receivables	**4,623.70**	**3,946.88**

Break-up of security details

	As at March 31, 2023	As at March 31, 2022
Considered good, Secured	169.56	159.10
Considered good, Unsecured	4,626.19	4,165.34
Receivables which have significant increase in credit risk	-	-
Receivables credit impaired	-	-
Total	**4,795.75**	**4,324.44**
Less: Loss allowances	(172.05)	(377.56)
Total trade receivables	**4,623.70**	**3,946.88**

Refer Note-37 for information about credit risk and market risk of trade receivable.

Note:
Trade Receivable (considered good) ageing schedule

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March, 2023	3,631.39	992.31	31.78	1.83	0.80	137.64	4,795.75
As at 31st March, 2022	3,501.69	445.20	12.59	0.86	1.58	362.52	4,324.44

There are no disputed trade receivables.

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

Note-9 Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Balances with Banks		
- In current accounts	169.08	243.62
Cash on hand	1.47	1.87
Total	**170.55**	**245.49**

Note-10 Current Investments

	As at March 31, 2023	As at March 31, 2022
Investment in Mutual Fund :		
Unquoted at Fair value through Profit and Loss		
52,696.832 (March 31, 2022 : Nil) Units in Nippon India Ultra Short Duration Fund - Growth Option - Growth Plan	1,818.73	-
12,857.222 (March 31, 2022 : Nil) Units in Nippon India Liquid Fund - Growth Plan - Growth Option	701.12	-
1,905,047.681 (March 31, 2022 : Nil) Units in Aditya Birla Sun Life Crisil IBX AAA - Jun 2023 Index Fund Regular Growth	200.17	-
21,798.481 (March 31, 2022 : Nil) Units in Aditya Birla Sun Life Saving Fund Growth	101.18	-
1,370,579.276 (March 31, 2022 : Nil) Units in Kotak Saving Growth Plan (Regular Plan)	503.06	-
1,984.972 (March 31, 2022 : Nil) Units in SBI Magnum Ultra Short Duration Fund Regular Growth	101.13	-
428,411.632 (March 31, 2022 : Nil) Units in ICICI Prudential Ultra Short Term Fund Growth	101.16	-
Total	**3,526.55**	**-**

Note-11 Other current assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Export benefit receivables	264.22	435.71
GST receivable/refundable	634.03	665.51
Advances to suppliers	467.73	523.50
Prepaid expenses	92.45	80.65
Other advances	20.67	9.37
Total	**1,479.10**	**1,714.74**

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

Note-12 Equity Share capital

	As at March 31, 2023	As at March 31, 2022
Authorised		
8,50,00,000 Equity Shares of Rs. 2 each [31st March, 2022 : 8,50,00,000 Equity Shares of Rs. 2 each] #	1,700.00	1,700.00
22,00,000 [31st March, 2022 : 22,00,000] 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100 each *	2,200.00	2,200.00
Total	**3,900.00**	**3,900.00**
Issued, subscribed and fully paid up		
5,24,43,948 Equity Shares of Rs. 2 each [March 31, 2022 : 5,24,43,948 Equity Shares of Rs. 2 each] #	1,048.88	1,048.88
Total	**1,048.88**	**1,048.88**

a) Reconciliation of number of shares outstanding

	As at March 31, 2023		As at March 31, 2022	
	Number of shares	**Amount**	**Number of shares**	**Amount**
Equity Shares #				
Balance as at the beginning of the year	52,443,948	1,048.88	8,740,658	874.07
Add: Impact of sub-division of equity shares #	-	-	34,962,632	-
	52,443,948	1,048.88	43,703,290	874.07
Add: Bonus Shares issued during the year #	-	-	8,740,658	174.81
Balance as at the end of the year	**52,443,948**	**1,048.88**	**52,443,948**	**1,048.88**
Instruments entirely equity in nature				
9% Non-Cumulative Convertible Preference Shares ("Preference Shares" or "NCCPS") *				
Balance as at the beginning of the year	-	-	2,200,000	2,200.00
Less:- Redeemed during the year	-	-	(2,200,000)	(2,200.00)
Balance as at the end of the year	**-**	**-**	**-**	**-**

b) Right, Preference and Restrictions attached to shares:

i) Equity shares: The Company has only one class of equity shares having par value of Rs.2 per share. Each shareholder is entitled to one vote per share. In the event of liquidation of the Company the holder of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential payments. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Preference shares: During the previous year, pursuant to the approval of Board of Directors in their meeting held on September 27, 2021, the Company had exercised its option and redeemed NCCPS on October 06, 2021.

c) Shares of the Company held by holding Company

	As at March 31, 2023	As at March 31, 2022
Equity Shares:#		
Raymond Limited, India and its nominees	52,443,948	52,443,948

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

Name of Shareholders	As at March 31, 2023		As at March 31, 2022	
	Number of shares	**% of Holding**	**Number of shares**	**% of Holding**
Equity Shares :#				
Raymond Limited, India and its nominees	52,443,948	100%	52,443,948	100%

e) During the five years immediately preceding the reporting date, no shares have been bought back nor had the Company issued any bonus shares or any shares for consideration other than cash. (Also Refer Note 46)

f) Disclosure of Shareholding of Promoters
Since all the shares of the Company are held by its promoter Raymond Limited and there being no changes in such shareholding as at the end of the each year referred in 12 d) above, hence no separate disclosure is required in respect of 'Disclosure of Shareholding of Promoters'.

* Refer Note 39 for Redemption Of 9% Non-Cumulative Convertible Preference Shares ("9% NCCPS")

 # Refer Note 44, Note 45 and Note 46 for Name Change of the Company, sub-division of equity shares and issue of bonus shares.

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

Note 13 Other Equity

Particulars	Reserves & Surplus				Total
	Securities Premium	Capital Reserve	Capital Redemption Reserve	Retained Earnings	
Balance as at 1st April, 2021	**314.50**	**-**	**-**	**5,172.19**	**5,486.69**
Profit for the year	-	-	-	5,871.36	5,871.36
Remeasurement of defined benefit obligation, net of tax	-	-	-	(143.16)	(143.16)
Total Comprehensive Income for the year	-	-	-	5,728.20	5,728.20
Dividends	-	-	-	(2,097.76)	(2,097.76)
Issue of Bonus Shares	(174.81)	-	-	-	(174.81)
Capital contribution by Parent (refer note 47)	-	2,838.10	-	-	2,838.10
Transfer (to) / from capital redemption reserve	-	-	2,200.00	(2,200.00)	-
Balance as at 31st March , 2022	**139.69**	**2,838.10**	**2,200.00**	**6,602.63**	**11,780.42**
Profit for the year	-	-	-	3,312.11	3,312.11
Remeasurement of defined benefit obligation, net of tax	-	-	-	39.91	39.91
Total Comprehensive Income for the year	-	-	-	3,352.02	3,352.02
Balance as at 31st March , 2023	**139.69**	**2,838.10**	**2,200.00**	**9,954.65**	**15,132.44**

Securities Premium
Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Act.

Capital Reserve
Capital Reserve pertains to the transfer by way of delivery, 100% equity share capital of Scissors Engineering Product Limited to the Company at Nil consideration.

Capital Redemption Reserve
Capital Redemption Reserve is created on redemption of NCCPS and it is non-distributable reserve.

Note 14 - Current borrowings

	Terms of repayments	Interest Rate	As at March 31, 2023	As at March 31, 2022
Loans repayable on demand				
Secured				
From banks				
- Cash Credit	Repayable on demand	8.20% ~8.55%	-	279.57
- Packing credit				
- in Foregin Currency	Single repayment at end of term	3.63%~7.62%	-	562.81
- in Indian Rupee	Single repayment at end of term	8.20%	501.90	-
(The above borrowings are secured by way of first pari passu charge on all current assets of the Company)				
From Financial Institutions				
-Channel Financing (Refer Note iv below)	Repayable on demand		235.27	-
Total current borrowings			**737.17**	**842.38**
Less: Interest accrued but not due on borrowings (included in Note 16)			(1.91)	(1.84)
Total			**735.26**	**840.54**

(i) The carrying amounts of financial and non-financial assets as security for secured borrowings are disclosed in Note 33 - Assets pledged as security

(ii) In respect of borrowings made from Banks on the basis of security of current assets, quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts in respect of both years referred above and there are no material discrepancies found.

(iii) The above borrowings have been utilized by the Company for meeting requirement as per the terms of the loans and has not been further advanced or loaned by the Company to any other parties.

(iv) The Company has availed Channel Financing arrangement for its customers from a financial institution, for which it has provided a first loss default guarantee . As per the terms of this facility, should the customers default in making payment, the contractual first loss default guarantee of 15% will be invoked on the Company by the financial institution. The total amount of contractual cash flow associated with this arrangement and outstanding as at March 31, 2023 is Rs. 235.27 lakhs (Previous year: Nil), which has been disclosed under current borrowings.

Net debt reconciliation	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	(170.55)	(245.49)
Current Borrowings	735.26	840.54
Interest accrued but not due on borrowings	1.91	1.84
Lease liabilities	1,428.09	1,551.99
Net debt	**1,994.72**	**2,148.88**

	Other assets	Liabilities from financing activities		
	Cash and Cash equivalents	**Lease Liabilities**	**Current borrowings (Including interest accrued)**	**Total**
Net Debt as at April 1, 2021	**382.12**	**1,410.43**	**1,483.11**	**2,511.42**
Other non-cash movements: - Acquisitions / Disposals	-	253.94	-	253.94
-Cash flows	(136.63)	(112.38)	(640.75)	(616.50)
-Interest expense	-	167.88	97.75	265.63
-Interest paid	-	(167.88)	(97.73)	(265.61)
Net Debt as at March 31, 2022	**245.49**	**1,551.99**	**842.38**	**2,148.88**
Other non-cash movements: - Acquisitions / Disposals	-	38.51	-	
-Cash flows	(74.94)	(162.41)	(105.27)	(192.74)
-Interest expense	-	149.21	108.16	257.37
-Interest paid	-	(149.21)	(108.10)	(257.31)
Net Debt as at March 31, 2023	**170.55**	**1,428.09**	**737.17**	**1,994.72**

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-15 - Trade payables

	As at March 31, 2023	As at March 31, 2022
Current		
- Trade payables: micro and small enterprises (Refer note 30)	442.31	304.44
- Trade payables: others *	4,546.99	4,134.17
Total	**4,989.30**	**4,438.61**

* Refer note 40 for Trade payables to related parties

Note:
Trade Payable ageing schedule

Particulars	Unbilled dues	Not Due	Outstanding for following years from due date of payment				
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
As at March 31, 2023							
(i) MSME	-	442.31	-	-	-	-	442.31
(ii) Others	1,349.86	1,281.65	1,850.11	35.21	22.51	7.65	4,546.99
Total	1,349.86	1,723.96	1,850.11	35.21	22.51	7.65	4,989.30
As at March 31, 2022							
(i) MSME	-	304.44	-	-	-	-	304.44
(ii) Others	1,342.94	1,711.36	1,050.62	11.96	9.85	7.44	4,134.17
Total	1,342.94	2,015.80	1,050.62	11.96	9.85	7.44	4,438.61

There are no disputed trade payables.

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

Note-16 - Other current financial liabilities

	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due on borrowings	1.91	1.84
Capital creditors	57.12	40.94
Deposits from dealers, agents etc.	538.63	591.33
Employee Benefits payable	1,342.38	1,462.98
Derivative financial instruments (Refer Note 37)	56.06	-
Other payables	31.35	57.95
Total	**2,027.45**	**2,155.04**

Refer Note-37 for information about Liquidity risk of Financial Liabilities

Note-17 - Provisions

	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits (Refer note 29)		
-Gratuity	62.15	287.08
-Compensated absences	360.87	406.79
Total	**423.02**	**693.87**

Note 18 -Other Current liabilities

	As at March 31, 2023	As at March 31, 2022
Contract Liabilities *	698.25	1,289.36
Statutory dues payable	147.56	263.94
Refund Liabilities	108.98	86.38
Stamp Duty Payable	177.80	177.80
Other Payables	-	27.99
Total	**1,132.59**	**1,845.47**

* Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year.

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

Note-19 Revenue from Operations

	Year ended 31st March, 2023	Year ended 31st March, 2022
Revenue from contract with customers		
Sale of Products - recognised at a point in time		
(i) Manufactured goods - Domestic	18,445.72	17,428.53
(ii) Manufactured goods - Export	22,490.68	24,767.29
(iii) Stock-in trade- Domestic	6,198.80	5,322.68
(iv) Stock-in trade- Export	737.38	735.13
Total (A)	**47,872.58**	**48,253.63**
Sale of Services - recognised over a period of time	409.39	688.12
Total (B)	**409.39**	**688.12**
Revenue from contracts with customers (C= A+B)	**48,281.97**	**48,941.75**
Other operating revenue		
(i) Export Incentives	494.65	575.38
(ii) Process waste sale	654.86	774.43
Total (D)	**1,149.51**	**1,349.81**
Total (C + D)	**49,431.48**	**50,291.56**

Notes:

(i) Disaggregation of revenue from contracts with customers:

The Company derives revenue from the transfer of goods and services in the following geographical regions:

	Year ended 31st March, 2023	Year ended 31st March, 2022
India	24,644.52	22,751.21
Africa	7,620.04	6,967.14
America	9,115.97	12,463.57
Asia (excluding India)	4,071.50	4,583.39
Europe	2,829.94	2,176.44
Total	**48,281.97**	**48,941.75**

The Company derives revenue from the transfer of following goods and services:

	Year ended 31st March, 2023	Year ended 31st March, 2022
Files	27,064.25	30,095.38
Drills	11,712.93	9,828.90
Hand tools and power tool accessories	5,366.28	4,714.01
Power tool machines	1,560.97	1,312.25
Others	2,168.15	2,303.09
Sale of Products (A)	**47,872.58**	**48,253.63**
Sale of Services (B)	409.39	688.12
Revenue from contracts with customers (A + B)	**48,281.97**	**48,941.75**

(ii) Unsatisfied performance obligations resulting from revenue from contracts with customers

	Year ended 31st March, 2023	Year ended 31st March, 2022
Aggregate amount of the transaction price allocated to sale contracts that are partially or fully unsatisfied	3.96	85.18
	3.96	**85.18**

(iii) Reconciliation of revenue recongnised with contract price:

	Year ended 31st March, 2023	Year ended 31st March, 2022
Contract price	50,837.47	50,951.11
Adjustments for :		
Refund liabilities - discounts, rebates, sales related schemes, incentives etc.	(2,555.50)	(2,009.36)
Revenue from contract with customers	**48,281.97**	**48,941.75**

Note-20 Other income

	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest income		
- on financial assets at amortised cost	66.92	129.16
- others	-	1.45
Net gain on foreign exchange fluctuations	-	36.95
Net gain on disposal/discard of property, plant and equipment	-	9.40
Net gain on sale of investments	8.13	-
Net gain on Fair valution of Investments through Profit & Loss	20.45	-
Dividend Income	-	1,304.81
Gain on termination of lease	1.13	104.73
Miscellaneous Income	309.20	104.36
Total	**405.83**	**1,690.86**

Note-21 Cost of raw materials consumed

	Year ended 31st March, 2023	Year ended 31st March, 2022
Raw material at the beginning of the year	1,617.83	1,424.53
Purchases	14,360.39	16,067.94
Less : Raw material at the end of the year	872.53	1,617.83
Total	**15,105.69**	**15,874.64**

Note-22 Purchases of Stock-in-Trade

	Year ended 31st March, 2023	Year ended 31st March, 2022
Purchases of Stock-in-Trade	5,264.83	5,172.04
Total	**5,264.83**	**5,172.04**

Note-23 Changes in inventories of work-in-progress , finished goods and stock-in-trade

	Year ended 31st March, 2023	Year ended 31st March, 2022
Opening inventories		
Work-in-progress	2,438.15	2,070.90
Finished goods	2,877.90	3,402.04
Stock-in-trade	1,358.47	1,050.62
	6,674.52	**6,523.57**
Closing inventories		
Work-in-progress	2,185.78	2,438.15
Finished goods	2,256.35	2,877.90
Stock-in-trade	1,123.89	1,358.47
	5,566.02	**6,674.52**
Total	**1,108.50**	**(150.95)**

Note-24 Employee benefits expense

	Year ended 31st March, 2023	Year ended 31st March, 2022
Salaries, wages and bonus	5,523.98	5,913.17
Gratuity Expense (Refer Note 29)	142.65	132.23
Contribution to provident and other funds (Refer Note 29)	313.61	335.08
Workmen and Staff welfare expenses	389.30	340.78
Total	**6,369.54**	**6,721.26**

Note-25 Finance costs

	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest on lease obligation	149.21	167.88
Interest expense on current borrowings	66.04	97.75
Interest on shortfall of advance tax	11.00	13.02
Interst expense - Others	31.13	58.30
Exchange difference regarded as adjustment to borrowing cost	21.59	-
Total	**278.97**	**336.95**

Note-26 Depreciation and amortization expense

	Year ended 31st March, 2023	Year ended 31st March, 2022
Depreciation on property, plant and equipment	564.44	684.54
Depreciation on right-of-use asset	203.31	167.68
Amortization on intangible assets	0.41	3.87
Total	**768.16**	**856.09**

Note-27 Other Expenses

Note-27 (a) Manufacturing and Operating expenses

	Year ended 31st March, 2023	Year ended 31st March, 2022
Consumption of stores and spare parts	3,558.52	3,991.92
Power and fuel	1,521.67	1,823.81
Job work charges	3,702.29	3,282.73
Payment to labour contractor	1,654.49	2,063.46
Repairs to buildings	58.12	68.34
Repairs to machinery	302.57	334.47
Other Manufacturing and Operating expenses	230.85	181.05
Total (A)	**11,028.51**	**11,745.78**

Note-27 (b) Other expenses

	Year ended 31st March, 2023	Year ended 31st March, 2022
Rent	194.88	184.40
Insurance	194.14	186.36
Repairs & Maintainence Others	98.33	83.04
Rates and Taxes	51.99	25.29
Commission to selling agents	843.73	840.84
Freight, Octroi, etc	1,413.28	1,750.42
Legal and Professional Expenses	349.80	244.66
IT outsourced Support Services	147.17	148.76
Travelling & Conveyance	405.97	174.70
Advertisement and Sales Promotion expenses	286.27	117.43
Director sitting fees & Commission (Refer note 40)	42.50	40.00
Net loss on disposal/discard of property, plant and equipment	9.69	-
Facility Charges (Refer note 40)	495.00	475.00
Net (Gain)/Loss on foreign exchange fluctuations	126.79	-
Corporate Social Responsibilty (Refer note 41)	79.00	50.00
Receivables and advances written off	3.77	-
Less: Allowances there against	(3.77)	-
Software expenses	70.10	51.90
Security charges	100.58	176.01
Communication expenses	49.43	32.42
Printing and stationery expenses	34.92	43.09
Motor car expenses	50.90	70.23
Miscellaneous expenses	392.47	300.72
Total (B)	**5,436.94**	**4,995.27**
Total (A+B)	**16,465.45**	**16,741.05**

Note-27 (c) Details of payment to auditors included in legal and professional expenses

	Year ended 31st March, 2023	Year ended 31st March, 2022
Payment to auditors		
a) Audit fees	14.25	17.00
b) Limited Review	6.25	3.50
In other capacities		
a) Certification Fees	0.20	0.60
b) Reimbursement of out-of-pocket expenses	0.56	0.09
Total payments to auditors *	**21.26**	**21.19**

* Invoices amounting to Rs 10.96 lakhs (previous year Rs 140.74 lakhs) towards initial public offer related work .

Note-27 (d): Corporate social responsibility expenditure

	Year ended 31st March, 2023	Year ended 31st March, 2022
Amount required to be spent by the Company during the year	79.00	50.00
Amount of expenditure incurred	79.00	50.00
Amount of shortfall for the year	-	-
Amount of cumulative shortfall at the end of the year	-	-

Refer Note 41

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

Note 28(a): Income Taxes

Tax expense recognised in the Statement of Profit and Loss

	As at March 31, 2023	As at March 31, 2022
Current tax		
Current year	1,086.63	1,634.14
Adjustments for prior periods	-	12.24
Total current tax	**1,086.63**	**1,646.38**
Deferred tax		
Deferred tax charge	54.30	163.90
Total deferred tax	**54.30**	**163.90**
Total income tax expense	**1,140.93**	**1,810.28**

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 March 31, 2023	As at March 31, 2022
Profit before tax	4,453.04	7,681.64
Applicable income tax rate	**25.17%**	**25.17%**
Tax Expense at applicable income tax rate	1,120.74	1,933.32
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income	22.65	19.31
Dividend income not taxable on account of section 80M	-	(328.39)
Additional capital gain tax on differential amount	-	200.97
Adjustment for differential Tax in respect of Capital Gain	(6.65)	-
Differential tax rate in respect of capital gains	-	(22.95)
Adjustments for prior periods	-	12.24
Others	4.19	(4.22)
Total income tax expense	**1,140.93**	**1,810.28**

Consequent to reconciliation items shown above, the effective tax rate is 25.62% (31st March ,2022: 23.57%).

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Note 28(b): Current tax assets (net) - non-current

	As at March 31, 2023	As at March 31, 2022
Current tax assets (net of provision of Rs. 4,787.17 Lakhs (March 31, 2022: Rs. 3,700.54 Lakhs))	237.90	90.39
	237.90	**90.39**

Note 28(c): Current tax assets (net) -Current

	As at March 31, 2023	As at March 31, 2022
Current tax assets (net of provision of Rs. Nil (March 31, 2022: Rs.485.12 Lakhs)	-	118.10
	-	**118.10**

Note 28(d): Current tax liabilities (net) -Current

	As at March 31, 2023	As at March 31, 2022
Current tax liabilities (net of taxes paid of Rs. Nil (March 31,2022: Rs 1,221.84 Lakhs))	-	373.62
	-	**373.62**

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

Note 28(e): Deferred tax assets (net)

The movement in deferred tax assets and liabilities during the year ended 31st March , 2023

Particulars	As at 1st April, 2022	Credit/(charge) in Statement of Profit and Loss	As at 31st March , 2023
Deferred tax assets on account of :			
Amounts allowable for tax purpose on payment basis	102.39	(11.56)	90.83
Allowances for doubtful receivable and advances	116.10	(60.18)	55.92
Amount paid under voluntary retirement scheme	1.46	(1.46)	-
Lease Liabilities	390.65	(31.18)	359.47
	610.60	**(104.38)**	**506.22**
Deferred tax (liabilities) on account of:			
Property plant and equipment and intangible assets	(270.54)	11.93	(258.61)
Right-of-use Assets	(288.45)	38.15	(250.30)
	(558.99)	**50.08**	**(508.91)**
Total	**51.61**	**(54.30)**	**(2.69)**

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

Note 28(e): Deferred tax assets (net)

The movement in deferred tax assets and liabilities during the year ended 31st March , 2022

Particulars	As at 1st April, 2021	Credit/(charge) in Statement of Profit and Loss	As at 31st March , 2022
Deferred tax assets on account of :			
Amounts allowable for tax purpose on payment basis	92.24	10.15	102.39
Allowances for doubtful receivable and advances	132.08	(15.98)	116.10
Amount paid under voluntary retirement scheme	138.31	(136.85)	1.46
Lease Liabilities	355.02	35.63	390.65
Other temporary differences	57.42	(57.42)	-
	775.07	**(164.47)**	**610.60**
Deferred tax (liabilities) on account of:			
Property plant and equipment and intangible assets	(320.76)	50.22	(270.54)
Right-of-use Assets	(238.80)	(49.65)	(288.45)
	(559.56)	**0.57**	**(558.99)**
Total	**215.51**	**(163.90)**	**51.61**

Note:-
During the previous year ,JK Talabot Limited had declared one off dividend by utilising 75.54 % of its cumulative earnings and which had been passed on by the Company to its parent Company. As per the provisions of section 80M of the Income Tax Act, 1961, there would be no tax liability on the Company in respect of the dividend received.

Note 29: 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 employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of services, subject to ceiling of Rs. 20 lakhs . The gratuity plan is funded plan and the Company makes contributions to recognised fund in India.

The amount recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as below:

A. Balance Sheet

	As at 31st March, 2023	As at 31st March , 2022
Present value of defined benefit obligation	(2,154.22)	(2,535.93)
Fair value of plan assets	2,092.07	2,248.85
Net defined benefit obligation	**(62.15)**	**(287.08)**

B. Movements in plan assets and plan liabilities

	As at March 31, 2023			As at 31st March ,2022		
	Plan liabilities	Plan Assets	Net	Plan liabilities	Plan Assets	Net
As at beginning of the year	**(2,535.93)**	**2,248.85**	**(287.08)**	**(2,211.13)**	**1948.42**	**(262.71)**
Current service cost (including past service cost)	(122.60)	-	**(122.60)**	(114.21)	-	**(114.21)**
Interest (cost)/Income	(177.01)	156.96	**(20.05)**	(151.68)	133.66	**(18.02)**
Remeasurements:						
Return on plan assets excluding actual return on plan asset	-	(15.32)	**(15.32)**	-	1.50	**1.50**
Gain/(loss) arising from changes in demographic assumptions	-	-	**-**	(0.31)	-	**(0.31)**
Gain/(loss) arising from changes in financial assumptions	55.64	-	**55.64**	(34.41)	-	**(34.41)**
Gain/(loss) arising from experience adjustments	13.01	-	**13.01**	(148.62)	-	**(148.62)**
Employer contributions	-	310.72	**310.72**	-	289.70	**289.70**
Benefit directly paid by employer	3.53	-	**3.53**	-	-	**-**
Benefit payments	609.14	(609.14)	**-**	124.43	(124.43)	-
As at end of the year	**(2,154.22)**	**2,092.07**	**(62.15)**	**(2,535.93)**	**2,248.85**	**(287.08)**

The present value of obligation at each balance sheet date above relates to active employees.

The liabilities are split between different categories of plan participants as follows:
- Active members - 2022-23: 887 Nos. (2021-22: 1096 Nos.)
- Deferred members -2022-23 Nil (2021-22 Nil)
- Retired members - 2022-23 Nil (2021-22 Nil)

C. The Company expects to contribute Rs. 169.68 lakhs to the funded plans in financial year 2023-24 (2022-23 Rs 230.16 lakhs) for gratuity.

D. Statement of Profit and Loss

	Year ended 31st March, 2023	Year ended 31st March, 2022
Employee Benefit Expenses:		
Current service cost (including past service cost)	122.60	114.21
	122.60	**114.21**
Interest Cost	20.05	18.02
Net impact on the Profit before tax	**142.65**	**132.23**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding actual return on plan asset	(15.32)	1.50
Gain/(loss) arising from changes in demographic assumptions	-	(0.31)
Gain/(loss) arising from changes in financial assumptions	55.64	(34.41)
Gain/(loss) arising from experience adjustments	13.01	(148.62)
Net impact on the Other Comprehensive Income before tax	**53.33**	**(181.84)**

E. Assets

	As at 31st March, 2023	As at 31st March, 2022
Insurer managed fund	2,092.07	2,248.85
Total	**2,092.07**	**2,248.85**

F. Significant Estimate: Actuarial assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

	As at 31st March, 2023	As at 31st March, 2022
Financial Assumptions		
Discount rate	7.44%	6.98%
Salary Escalation Rate	7.50%	7.50%
Atrrition rate	2.00%	2.00%
Return on plan assets	7.44%	6.98%

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality 2012-14 (Urban)

G. Sensitivity

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

		As at 31st March, 2023		As at 31st March, 2022	
	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%	(111.30)	124.94	(143.71)	161.47
Salary Escalation Rate	1%	120.71	(110.99)	156.56	(142.64)
Attrition rate	1%	(0.98)	1.03	(4.86)	5.34

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, 2023 as follows:

Gratuity :	Defined benefit obligation As at 31st March, 2023	As at 31st March, 2022
1st year	205.21	258.47
2nd year	194.43	148.27
3rd year	255.17	256.94
4th year	336.34	273.09
5th year	259.36	334.14
Thereafter	2415.77	3022.99

Risk Exposure

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset volatility Risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. These are subject to interest rate risk and the fund manages interest rate risk to an acceptable level.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(ii) Defined contribution plans :

The Company also has certain defined contribution plans. Contributions are made to provident fund, employe's state insurance scheme etc in India for employees .The contributions are made to registered fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is Rs 313.61 Lakhs. (31st March, 2022 Rs. 335.08 lakhs)

(iii) Compensated absences:

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

The amount of the provision of Rs 360.87 lakhs for 31st March, 2023 (Rs 406.79 lakhs for 31st March, 2022) 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-30 The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 are as follows.

	As at March 31, 2023	As at March 31, 2022
Principal amount due to suppliers registered under MSMED Act and remaining unpaid as at year end	442.31	304.44
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	-	-
Interest paid, other than under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	0.97
Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of deductible expenditure under section 23 of the MSMED Act	-	-

Note 31: Social security code

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the year the Code becomes effective.

Note 32: Earnings per share

		Year ended 31st March, 2023	Year ended 31st March, 2022
Basic Earnings Per Share has been computed as under:			
Profit for the year	A	3,312.11	5,871.36
Weighted average number of equity shares for basic EPS (in nos.)	B	52,443,948	52,443,948
Earnings Per Share (Rs.)	A/B	6.32	11.20
Diluted			
Profit for the year	C	3,312.11	5,871.36
Weighted average number of equity shares outstanding for basic EPS (in nos.)		52,443,948	52,443,948
Add: Dilutive potential equity share (Refer Note 12)		-	944,275
Add: Dilutive impact of sub-division of potential equity shares (Refer Note 45)		-	3,777,100
Weighted average number of equity shares for dilutive EPS	D	52,443,948	57,165,323
Dilutive Earnings Per Share (Rs.)	C/D	6.32	10.27
Nominal value per equity share (in Rs.)		2.00	2.00

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

Note 33 :Assets pledged as security

The carrying amounts of assets pledged as security are:

	As at March 31, 2023	As at March 31, 2022
Current Assets		
Floating Charge		
Trade receivables	4,623.70	3,946.88
Inventories	6,705.55	8,659.92
Cash and cash equivalents	170.55	245.49
Others financial asset	705.38	837.47
Other current assets	1,479.10	1,714.74
Total assets pledged as security	**13,684.28**	**15,404.50**

Note 34: Contingent liabilities (to the extent not provided for)

	As at March 31, 2023	As at March 31, 2022
Contingent Liabilities		
(i) Claims against the Company not acknowledged as debts in respect of:		
Income Tax Matters	-	102.69
Sales tax Matters	21.35	150.07
Excise and service tax Matters	26.38	26.38
Other Matters	130.05	130.05

(ii)The Supreme Court of India, through a ruling in February 2019, provided guidelines for interpreting the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. There is significant uncertainty and ambiguity in interpreting and giving effect to the guidelines of Supreme Court. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the Supreme Court Order. The Company will evaluate its position and act as clarity emerges on impact of the ruling.

The amount shown in respect of above items represent the best possible estimates arrived at on basis of available information. The uncertainties are dependent on the outcome of different legal process. The timing of cash flows will be determinable only on receipt of judgement / decisions pending with various forums / authorities.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

Note 35: Commitments

Capital Commitments

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

	As at March 31, 2023	As at March 31, 2022
Property, plant and equipment	672.62	317.28
Less: Capital advances	253.80	53.41
Property, plant and equipment (Net of capital advances)	**418.82**	**263.87**

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Note 36: Fair Value measurement

Financial instruments by category

	As at March 31, 2023		As at March 31, 2022	
	FVPL	Amortised Cost	FVPL	Amortised Cost
Financial Assets				
Investments	3,526.55	-	-	-
Derivative Financial instruments	-	-	6.66	-
Other Financial Assets	-	1,168.77	-	1,015.18
Trade receivable	-	4,623.70	-	3,946.88
Cash and Cash equivalents	-	170.55	-	245.49
	3,526.55	**5,963.02**	**6.66**	**5,207.55**
Financial Liabilities				
Borrowings	-	735.26	-	840.54
Derivative financial instruments	56.06	-	-	-
Trade Payables	-	4,989.30	-	4,438.61
	56.06	**5,724.56**	**-**	**5,279.15**

Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements	As at March 31, 2023		As at March 31, 2022	
	Level 1	Level 2	Level 1	Level 2
Financial Assets				
Investments	3,526.55	-	-	-
Derivative Financial instruments	-	-	-	6.66
Total financial assets	**3,526.55**	**-**	**-**	**6.66**
Financial Liabilities				
Derivative financial instruments	-	56.06	-	-
Total financial liabilities	**-**	**56.06**	**-**	**-**

Financial instruments by category
The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:
1. Fair value of trade receivables, cash and cash equivalent, other current financial asset (other than derivative), trade payable and other current financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

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

3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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

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

Valuation Technique used to determine fair value
- the use of NAV declared by the fund for investment in mutual funds
- the fair value of forward exchange contracts is determined using forward exchange rates at the reporting date.

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

Note 37 : Financial risk management objectives

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The Company financial risk management is set by the Working Board comprising of CEO, CFO and various head of departments. The policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls are monitored by higher authorities and approved by senior management. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the standalone financial statements.

A) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.

a) Interest rate risk

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

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

a) Exposure to interest rate risk

Particulars	As at March 31, 2023	As at March 31, 2022
Total borrowings	735.26	840.54
% of Borrowings bearing variable rate of interest	100%	100%

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

	Year ended 31st March, 2023	Year ended 31st March, 2022
50 bp increase would decrease the profit before tax by	3.68	4.20
50 bp decrease would Increase the profit before tax by	(3.68)	(4.20)

b) Market risk - Foreign Currency risk

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

(a)Foreign Currency Exposure as at the reporting date

Particulars	As at March 31, 2023						
	USD (in Mn.)	In Rs	EUR (in Mn.)	In Rs	GBP (in Mn.)	In Rs	Total (In Rs.)
Trade Receivable	2.96	2,433.66	1.03	927.30	-	-	3,360.96
Offset by Derivatives : Foreign Exchange Forwards Contracts	(1.21)	(999.50)	(1.03)	(927.30)	-	-	(1,926.80)
Net Exposure (to the extent of outstanding balance)	**1.75**	**1,434.16**	**-**	**-**	**-**	**-**	**1,434.16**
Trade Payable	0.19	155.29	-	-	-	-	155.29
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net Exposure (to the extent of outstanding balance)	**0.19**	**155.29**	**-**	**-**	**-**	**-**	**155.29**

Particulars	As at March 31, 2022						
	USD (in Mn.)	In Rs	EUR (in Mn.)	In Rs	GBP (in Mn.)	In Rs	Total (In Rs.)
Trade Receivable	3.13	2,371.31	0.85	716.26	-	-	3,087.57
Offset by Derivatives : Foreign Exchange Forwards Contracts	(1.20)	(918.74)	(0.29)	(252.83)	-	-	(1,171.57)
Net Exposure (to the extent of outstanding balance)	**1.93**	**1,452.57**	**0.56**	**463.43**	**-**	**-**	**1,916.00**
Trade Payable	0.19	145.96	-	-	-	-	145.96
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net Exposure (to the extent of outstanding balance)	**0.19**	**145.96**	**-**	**-**	**-**	**-**	**145.96**
Packing Credit in Foreign Currency	0.74	561.94	-	-	-	-	561.94
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net Exposure (to the extent of outstanding balance)	**0.74**	**561.94**	**-**	**-**	**-**	**-**	**561.94**

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

(b)Derivative outstanding as at the reporting date

(in Mn.)

Foreign currency	As at March 31, 2023		As at March 31, 2022	
	Sell	Buy	Sell	Buy
Forward Contracts USD	1.21	-	1.20	-
Forward Contracts EURO*	1.16	-	0.29	-

* The Company has taken forward contracts based on confirm future export sales orders.
Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

Foreign Currency Risk Sensitivity
A change of 5% in foreign currency would have following impact on profit before tax

	Year ended 31st March, 2023		Year ended 31st March, 2022	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	113.92	(113.92)	83.17	(83.17)
EURO	46.37	(46.37)	35.81	(35.81)
Increase/ (Decrease) in Profit or Loss	160.29	(160.29)	118.98	(118.98)

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

(c)Price Risk

Exposure

Security price risk is the risk that the fair value of a financial instrument will fluctuate due to change in market traded prices. The Company invests its surplus funds primarily in liquid schemes of mutual funds (debt instruments) which are categorised as low risk products from liquidity and interest rate perspectives. The carrying amount of the Company's investments are designated as at fair value through profit or loss at the end of the reporting period.

Sensitivity

The sensitivity analysis below is presented with reference to changes in NAV of these securities:-

	Year ended 31st March, 2023	Year ended 31st March, 2022
NAV - Increases by 1% *	35.27	-
NAV - Decreases by 1% *	(35.27)	-

* Holding all other variables constant

B) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company.
The Company is exposed to credit risk from its operating activities (primarily trade receivables), security deposit and from its investing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalent and other bank balances

Credit risk related to cash and cash equivalents is managed by accepting highly rated banks. Management does not expect any losses from non-performance by these counterparties.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes bank deposits and other receivables. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. The expected credit loss on these financial instruments is expected to be insignificant.

Trade and other receivables

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates have been computed based on ageing

i) Movement in allowances for expected credit losses on trade receivables

	As at March 31, 2023	As at March 31, 2022
As at beginning of the year	377.56	441.03
Less:- Write back of Loss Allowances	(205.51)	(63.47)
As at end of the year	172.05	377.56

	Expected credit loss %	
Ageing	**As at March 31, 2023**	**As at March 31, 2022**
Not Due	0%	0%
0-90 days	0%	0%
91-180 days	0%	0%
181-270 days	100%	100%
271-360 days	100%	100%
more than 360 days	100%	100%

ii) Movement in allowances for other receivables

	As at March 31, 2023	As at March 31, 2022
As at beginning of the year	83.72	83.72
Less:- Write back of Loss Allowances	(33.60)	-
As at end of the year	50.12	83.72

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

Ageing	Expected credit loss % As at March 31, 2023	As at March 31, 2022
Not Due	0%	0%
0-90 days	0%	0%
91-180 days	0%	0%
181-270 days	0%	0%
271-360 days	0%	0%
more than 360 days	100%	100%

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 to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Financing arrangements
The Company had access to following undrawn Borrowing facilities at end of reporting period:

	As at March 31, 2023	As at March 31, 2022
Variable Borrowing -Cash Credit expires within 1 year	8,900.01	5,359.46

The cash credit facilities may be drawn at any time and be terminated by bank without notice. Subject to satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

Maturities of financial liabilities

	As at March 31, 2023				
	On demand	**Less than 1 year**	**1-5 years**	**More than 5 years**	**Total**
Current borrowings *	737.17	-	-	-	737.17
Trade payable #	-	4,989.30	-	-	4,989.30
Lease liabilities	-	324.37	1,533.82	46.63	1,904.82
Deposits from dealers, agents etc.	488.63	50.00	-	-	538.63
Other financial liabilities (excluding Deposits from dealers, agents etc.)	-	1,486.91	-	-	1,486.91
Total	1,225.80	6,850.58	1,533.82	46.63	9,656.83

	As at 31st March, 2022				
	On demand	**Less than 1 year**	**1-5 years**	**More than 5 years**	**Total**
Current borrowings *	840.54	-	-	-	840.54
Trade payable #	-	4,438.61	-	-	4,438.61
Lease liabilities	-	311.62	1,660.94	243.87	2,216.43
Deposits from dealers, agents etc.	541.33	50.00	-		591.33
Other financial liabilities (excluding Deposits from dealers, agents etc.)	-	1,563.71	-	-	1,563.71
Total	1,381.86	6,363.94	1,660.94	243.87	9,650.61

*does not include interest payable in future years, since they are repayable on demand and contractual payment to be made in respect of interest is not accurately determinable considering balance vary based on the fund requirements of the Company.
The amounts are payable over a period of 30-90 days as per the credit period with respective vendors

Note-38 Capital risk management

(a) The Company aims to manage its capital efficiently so as to safeguard its ability to continue as going concern and optimise return to shareholder

'The capital structure of the Company is based on management judgement of the appropriate balance of key element in order to meet its strategic and day to day needs. The management considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and risk characteristics of the underlying asset. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with focus on total equity so as to maintain stakeholder confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company's management monitors the return on capital as well as the level of dividends to shareholders.

The Company monitors the gearing ratio to evaluate debt leveraging and to ensure debts are maintained at the acceptable level.

The gearing ratio were as follows:

	As at March 31, 2023	As at March 31, 2022
Net Debt *	1,994.72	2,148.88
Total Equity	16,181.32	12,829.30
Net Debt to total equity	12.33%	16.75%

* Includes borrowings, lease liabilities, interest accrued thereon which is compensated by cash and cash equivalents.

(b) Dividend

During the previous year ,the Company had declared interim dividend for the financial year 2021-22 of Rs. 4 each (face value Rs. 2 per share) amounting to Rs. 2,097.76 lakhs which was approved by the Board of Directors of Company in its meeting held on October 25, 2021.

Note 39: Redemption Of 9% Non-Cumulative Convertible Preference

During the previous year, pursuant to the approval of the Board of Directors in their meeting held on September 27, 2021, the Company had exercised its option to redeem NCCPS on October 06, 2021.

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

Note-40 Related parties disclosures as per Ind AS 24

1. **Name of the Related Parties :**

Related parties where control exists, irrespective of whether transaction has occurred or not:

(a) **Holding Company**
Raymond Limited, India

(b) **Subsidiary Company**
JK Talabot Limited, India
Ring Plus Aqua Limited, India (Refer Note 47)
Scissors Engineering Products Limited , India (Refer Note 47)

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

(c) **Fellow Subsidiary Companies**
Raymond (Europe) Limited, United Kingdom
Raymond Apparel Limited, India
Raymond Luxury Cotton Limited, India

(d) **Associate Enterprises**
PT. Jaykay Files Indonesia, Indonesia
PT. Jaykay International Indonesia, Indonesia
Raymond Consumer Care Limited,India

Other related parties:

(e) **Key Management Personnel :**

Whole time Director	: Mr. Balasubramanian Vishwanathan (w.e.f 17th November, 2021)
Independent Director	: Mr. Satish Sekhri (w.e.f 17th November, 2021)
Independent Director	: Mr. Vijay Bhatt (w.e.f 17th November, 2021)
Non Executive Director	: Mr. Gautamhari Singhania (w.e.f 17 th November, 2021)
Non Executive Director	: Mr. Ravikant Uppal
Non Executive Director	: Mrs.Rashmi Brijgopal Mundada
Non Executive Director	: Mr. Ganesh Kumar Subramanian (till 16th November, 2021)
Non Executive Director	: Mr. Balasubramanian Vishwanathan (till 16th November, 2021)
Non Executive Director	: Mr. Krishnan Ashwath Narayan (till 17 th November, 2021)

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

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note--2. Transactions carried out with related parties referred in 1 above for the year ended and as at March 31, 2023, in ordinary course of business :

Nature of transactions	Related Parties											
	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above		Referred in 1(e) above		Referred in 1(f) above	
	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022
Purchases :												
Goods and Materials	-	-	2,673.39	2,215.99	-	-	-	-	-	-	-	-
Purchase of MEIS licence	-	-	2.13	2.65	-	-	-	-	-	-	-	-
Sales :												
Sale of products & services	-	-	911.82	932.33	-	-	-	-	-	-	-	-
Sale of property, plant and equipment	-	-	-	4.19	-	-	-	-	-	-	-	-
Other Income :												
Interest Income on Inter Company loan	-	-	-	-	-	95.88	-	-	-	-	-	-
Dividend received	-	-	-	1,304.81	-	-	-	-	-	-	-	-
Expenses :												
Employee Benefits Expenses:												
Managerial remuneration	-	-	-	-	-	-	-	-	229.69	63.38	-	-
Other Expenses :												
Rent expenses	145.42	145.42	-	-	-	-	-	-	-	-	-	-
Facility Charges	495.00	475.00	-	-	-	-	-	-	-	-	-	-
Directors sitting fees & commission	-	-	-	-	-	-	-	-	42.50	40.00	-	-
Sales Promotion expneses	-	-	-	-	-	-	-	0.30	-	-	-	-
Legal and Professional expenses	-	-	-	-	-	-	-	-	16.00	16.00		
Reimbursement of Expenses:												
Electricity charges	57.25	36.56	-	-	-	-	-	-	-	-	-	-
Legal and Professional Expenses	43.29	36.03	-	-	-	-	-	-	-	-	-	-
Miscellaneous expenses	90.54	67.14	-	-	-	-	-	-	-	-	-	-
Contribution to Employees Gratuity fund	-	-	-	-	-	-	-	-	-	-	310.72	262.71
Other Receipts :												
Cost of shared manpower	-	-	262.74	19.17	-	-	-	-	-	-	-	-
Reimbursement of expenses	837.85	724.15	6.42	3.35	-	-	-	-	-	-	-	-
Reimbursement of expenses(IPO)	-	802.56	-	-	-	-	-	-	-	-	-	-
Loans given :												
Inter Corporate loan Given	-	-	-	-	-	1,100.00	-	-	-	-	-	-
Inter Corporate loan repayment received	-	-	-	-	-	4,000.00	-	-	-	-	-	-
Redemption of instruments entirely in the nature of Equity	-	2,200.00	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	2,097.76	-	-	-	-	-	-	-	-	-	-

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

Note--2. Transactions carried out with related parties referred in 1 above for the year ended and as at March 31, 2023, in ordinary course of business :

Nature of transactions	Related Parties									
	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above		Referred in 1(e) above	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Outstandings :										
Trade Payable	-	24.89	665.31	560.50	16.15	16.15	-	-	20.00	20.00
Trade Receivable *	-	-	-	0.67	-	-	13.93	240.88	-	-
Other Financial Assets (Current)*	650.52	802.56	45.82	0.41	-	-	50.12	83.72	-	-

* The total receivable from PT JayKay Files and PT JayKay International, Indonesia has been provided.

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above for the year ended and as at March 31, 2023, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended 31st March, 2023	Year ended 31st March, 2022
Purchases :		
Goods and Materials		
J K Talabot Limited	2,673.39	2,215.99
Purchase of DEPB licence		
J K Talabot Limited	2.13	2.65
Sales :		
Sale of products & services		
J K Talabot Limited	906.97	925.54
Ring Plus Aqua Limited.	4.85	6.79
Sale of property,plant and equipment		
J K Talabot Limited	-	4.19
Other Income:		
Interest Income on Inter Company loan		
Raymond Apparel Limited.	-	82.81
Raymond Luxury Cotton Limited.	-	13.07
Dividend received		
J K Talabot Limited	-	1,304.81
Expenses :		
Employee Benefits Expenses:		
Short term employee benefits		
Mr. Balasubramanian Vishwanathan	222.56	60.60
Post employment benefits		
Mr. Balasubramanian Vishwanathan	7.13	2.78

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Note--3. Transactions carried out with related parties referred in 1 above for the year ended and as at March 31, 2023, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended 31st March, 2023	Year ended 31st March, 2022
Other Expenses :		
Rent expenses		
Raymond Limited	145.42	145.42
Facility Charges		
Raymond Limited	495.00	475.00
Director sitting fees & commission		
Director sitting fees		
Mrs. Rashmi Mundada Brijgopal	4.50	4.25
Mr. Ravikant Uppal	3.50	3.75
Mr. Gautam Hari Singhania	1.00	2.00
Mr. Satish Sekhri	7.00	5.00
Mr. Vijay Bhatt	6.50	5.00
Director commission		
Mrs. Rashmi Mundada Brijgopal	4.00	4.00
Mr. Ravikant Uppal	4.00	4.00
Mr. Gautam Hari Singhania	4.00	4.00
Mr. Satish Sekhri	4.00	4.00
Mr. Vijay Bhatt	4.00	4.00
Sales Promotion expneses		
Raymond Consumer Care Limited	-	0.30
Legal and Professional Expenses		
Mr. Ravikant Uppal	16.00	16.00
Reimbursement of Expenses:		
Electricity charges		
Raymond Limited	57.25	36.56
Legal and Professional Expenses		
Raymond Limited	43.29	36.03
Miscellaneous expenses		
Raymond Limited	90.54	67.14
Ring Plus Aqua Limited.	-	-
Employees Gratuity fund	310.72	262.71

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Note--3. Transactions carried out with related parties referred in 1 above for the year ended and as at March 31, 2023, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended 31st March, 2023	Year ended 31st March, 2022
Other Receipts :		
Cost of shared manpower		
J K Talabot Limited	10.74	9.96
Ring Plus Aqua Limited.	252.00	9.21
Reimbursement of expenses		
Raymond Limited	837.85	724.15
Ring Plus Aqua Limited.	4.25	3.35
J K Talabot Limited	2.17	-
Reimbursement of expenses(IPO)		
Raymond Limited	-	802.56
Loans given : #		
Inter Corporate loan Given		
Raymond Apparel Limited.	-	1,100.00
Inter Corporate loan repayment received		
Raymond Apparel Limited.	-	2,000.00
Raymond Luxury Cotton Limited.	-	2,000.00
Redemption of instruments entirely in the nature of Equity		
Raymond Limited	-	2,200.00
Dividend paid		
Raymond Limited	-	2,097.76

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

Outstandings :	As at 31st March, 2023	As at 31st March, 2022
Trade Payable		
Raymond Limited	-	24.89
J K Talabot Limited	665.31	560.50
Raymond Europe Limited	16.15	16.15
Trade Receivable		
P T Jaykay International Indonesia*	13.93	240.88
Ring Plus Aqua Limited.	-	0.67
Other Financial Assets (Current)		
Ring Plus Aqua Limited.	45.82	0.41
P T Jaykay Files Indonesia*	50.12	83.72
Raymond Limited	650.52	802.56
Trade Payable		
Mrs. Rashmi Mundada Brijgopal	4.00	4.00
Mr. Ravikant Uppal	4.00	4.00
Mr. Gautam Hari Singhania	4.00	4.00
Mr. Satish Sekhri	4.00	4.00
Mr. Vijay Bhatt	4.00	4.00

* The total receivable from PT JayKay Files and PT JayKay International, Indonesia has been provided.

JK Files & Engineering Limited
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Note--3. Transactions carried out with related parties referred in 1 above for the year ended and as at March 31, 2023, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended 31st March, 2023	Year ended 31st March, 2022
Particulars	**As at 31st March, 2023**	**As at 31st March, 2022**
Trade Receivables		
P T Jaykay International Indonesia	13.93	240.88
Other Financial Assets		
P T Jaykay Files Indonesia	50.12	83.72

Inter Company loan receivable were provided to group companies to meet their working capital requirements.
Transactions were done in ordinary course of business and on normal terms and conditions.

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

Note 41 :- Disclosures in relation to corporate social responsibility expenditure

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Contribution to operation of Integrated Livestock Development center	25.00	-
Contribution to provide academic support and teacher training	25.00	-
Contribution to morning nutrition programme for children in rural India	10.00	-
Contribution to Construction of childcare units for cancer patients	10.00	-
Contribution for women empowerment, girl education and child development	7.50	-
Contribution to holistic rehabilitation of cancer patients and survivors	1.50	-
Contribution to purchase COVID-19 vaccines	-	27.00
Contribution to purchase computers for child education	-	6.50
Contribution to maternity & child health center	-	16.50
Accrual towards unspent obligations in relation to:		
Ongoing project	-	-
Other than ongoing projects	79.00	50.00
Total	**79.00**	**50.00**
Amount required to be spent as per Section 135 of the Act	**79.00**	**50.00**
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	79.00	50.00

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance unspent as at 1st April 2021	Balance unspent as at beginning of the year	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at end of the year
For the year ended 31st March, 2023	-	-	79.00	79.00	-
For the year ended 31st March, 2022	-	-	50.00	50.00	-

JK Files & Engineering Limited
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Note 42: Segment Information

In accordance with Accounting Standard Ind AS 108 'Operating Segment', segment information has been given in the consolidated financial statements of JK Files & Engineering Limited, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

Note 43: Analytical Ratios

Sr No.	Ratio	Numerator	Denominator	Unit of measurement	March 2023	March 2022	Variance
(a)	Current Ratio	Current Assets	Current Liabilities	in times	1.81	1.48	22.74%
(b)	Debt-Equity Ratio	Total Debt	Shareholders' Equity	in times	0.13	0.19	-28.31%
(c)	Debt Service Coverage Ratio	Earning for Debt Service	Debt Service	in times	10.39	16.19	-35.86%
(d)	Return on Equity Ratio	Net Profits after taxes- Preference Dividend	Average shareholder's Equity	in percentages	22.83%	54.90%	-58.41%
(e)	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	in times	4.23	3.82	10.66%
(f)	Trade Receivable Turnover Ratio	Net Sales excluding export incentive	Average Trade Receivable	in times	11.42	18.65	-38.76%
(g)	Trade Payable Ratio	Net Purchases	Average Trade Payables	in times	10.64	9.75	9.19%
(h)	Net Capital turnover Ratio	Net sales	Average Working Capital	in times	6.40	10.03	-36.15%
(i)	Net Profit Ratio	Net Profit	Net sales	in percnetages	6.70%	11.67%	-42.61%
(j)	Return on Capital Employed	Earning before interest and taxes	Capital Employed	in percnetages	25.91%	52.96%	-51.08%
(k)	Return on investment	Earning before interest and taxes	Closing total assets	in percnetages	17.58%	32.43%	-45.79%

JK Files & Engineering Limited
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Reasons for variance of more than 25% in above ratios :

Sr No.	Ratio	Reasons for the Variances
(a)	Debt-Equity Ratio	This ratio has reduced due to repayment of short term debt & increase in internal accruals due to market demand in Export market resulting in decrease in profit for the current year.
(b)	Debt Service Coverage Ratio	This ratio has decrease due to reduction of the debt & reduction in profits for the current year due to lower market demand in export market.
(c)	Return on Equity Ratio	This ratio has reduced due to lower market demand in export market resulting in decrease in profit for the current year as compared to previous year .
(d)	Trade Receivable Turnover Ratio	This ratio has decreased due to decrease in sales and increase in average receivables due to increase in credit period majorly in export market.
(e)	Net Capital turnover Ratio	This ratio has decreased due to decrease in turnover on account of lower demand in export market and increase in current investment in mutual funds .
(f)	Net Profit Ratio	This ratio decreased due to lower demand in export market & reduction in profits due to increase in cost on account of inflation .
(g)	Return on Capital Employed	This ratio has decreased due to lower demand in export market leading to lower revenue & increase in capital employed.
(h)	Return on investment	This ratio has decreased due to lower demand in export market leading to lower revenue & increase in total assets employed due to additions to fixed assets and increase in mutual funds investments as compared to previous year.

Note 44: Name change

During the previous year ,the Board of Directors of the parent Company in their meeting held on September 27, 2021 had approved the change in the name of the Company from JK Files (India) Limited to JK Files & Engineering Limited as approved by Ministry of Company Affairs, effective from 10th November, 2021.

Note 45: Sub-division of equity shares

During the previous year, the Board of Directors of the Company in its meeting held on September 27, 2021 had approved sub-division of existing authorised share capital of the Company from Rs. 1,700 lakhs consisting of 17,000,000 equity shares of face value of INR 10 each to 85,000,000 equity shares of face value of INR 2 each and sub-division of existing issued, subscribed and paid up equity share capital of the Company from Rs. 874.07 lakhs consisting of 8,740,658 equity shares of face value of Rs. 10 each to 43,703,290 equity shares of face value of Rs. 2 each. This was approved by the shareholders in their extra-ordinary general meeting held on October 28, 2021.

Note 46: Bonus issue of equity shares

During the previous year, the Board of Directors of the Company in its meeting held on September 27, 2021 had approved issuance of bonus shares in the ratio of 1:5 to existing equity shareholders by capitalising a sum of Rs. 174.81 lakhs out of the reserves of the Company, pursuant to which issued, subscribed and paid-up equity share capital of the Company had increased from Rs. 874.07 lakhs consisting of 43,703,290 equity shares of face value of INR 2 each to Rs. 1,048.88 lakhs consisting of 52,443,948 equity shares of face value of INR 2 each. This was approved by the shareholders in their extra-ordinary general meeting held on October 28, 2021.

Note 47: Acquisition of subsidiaries

On October 31, 2021, Raymond Limited, the holding Company of JK Files & Engineering Limited (Formerly known as JK Files (India) Limited) transferred by way of delivery, 100% equity share capital of Scissors Engineering Products Limited ('SEPL') to JK Files & Engineering Limited at Nil consideration. Accordingly, effective October 31, 2021, SEPL has become a wholly owned subsidiary of JK Files & Engineering Limited.

The aforesaid transaction has been accounted at predecessor's cost i.e. investment cost of Raymond Limited in SEPL as per the accounting policy choice taken by the Company by applying the Ind AS 8- 'Accounting Policies, Change in Accounting Estimates and Errors' with a corresponding credit to the other equity as capital contribution by parent (capital reserve).

Subsequently, SEPL transferred by way of delivery, 89.07% of equity share capital of Ring Plus Aqua Limited (‘RPAL’), the then subsidiary of SEPL, at Nil consideration to JK Files & Engineering Limited. Accordingly, effective November 11, 2021, RPAL has become a direct subsidiary of JK Files & Engineering Limited.

The aforesaid transaction has been accounted by reallocation of investment cost referred above in SEPL to investment in RPAL on the basis of relative values of SEPL and RPAL considering aforesaid transaction being return of SEPL’s capital to the Company.

Note 48: Additional regulatory information required by Schedule III

(i) Details of benami property held
No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Valuation of Property Plant & Equipment, intangible asset and investment property
The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both.

(iii) Wilful defaulter
The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies
The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies
The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium
The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(viii) Undisclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

Note 49: Exceptional Items

Particulars	Year ended 31st March, 2023 (Refer note no (1) below)	Year ended 31st March, 2022 (Refer note no (2) below)
(i) Gain on sale of Land & Buliding	534.42	1186.83
(ii) Retrenment compensation	796.66	-
Exceptional Items (net) (i-ii)	(262.24)	1186.83

1) During the financial year ended March 31, 2023 ,the Company has disposed its rights in leasehold land (Right of Use Asset) and Building situated of its Pithampur plant on September 16, 2022 , resulting in net gain of Rs 534.42 Lacs . Further,the Company has also given retrenchment compensation amounting to Rs 796.66 lakhs (full and final settlement) to its eligible employees at Pithampur plant in accordance with Section 25FF of Industrial Disputes Act, 1947.

2)During the financial year ended March 31, 2022, the Company had sold its Land and Buiding situated at Kolkata, which had resulted in gain of Rs 1,186.83 Lakhs which was disclosed as exceptional item in the statement of Profit & Loss in the previous year .

Note 50: Events occurring after the reporting period

The Board of Directors vide their meeting held on May 02, 2023, approved sale of its 'right in leasehold land' and building thereon of its Ratnagiri plant having WDV of Rs. 161.69 lakhs and Rs. 364.19 lakhs respectively as at March 31, 2023. The remaining assets of Ratnagiri (mainly plant and machinery) will be transferred to the other locations. Applying the principles of Ind AS 10 'Events after the Reporting Period', the aforesaid event is considered as a non-adjusting subsequent event in these standalone financial statements

As per our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration N0. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
2nd May , 2023

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
2nd May , 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited]

Report on the audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited] (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") (refer Note 42 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2023, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income) , the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director'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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

5. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

7. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

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

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

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

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

   - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

10. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

12. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included us in our CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.

13. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the audit reports of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

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

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 34 to the consolidated financial statements.

ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, on derivative contracts. Refer Note 17 to the consolidated financial statements. Further, the Group has long-term contracts as at March 31, 2023 for which there were no material foreseeable losses.

iii. During the year ended March 31, 2023, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us in respect of the Holding company and subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The Holding Company and its subsidiary companies have not declared or paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Group, is applicable to the Group only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

14. The Group have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 23112433BGYMLZ7017

Mumbai
May 02, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(f) of the Independent Auditor's Report of even date to the members of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited] on the consolidated financial statements for the year ended March 31, 2023
Page 1 of 2

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited] (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to consolidated financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(f) of the Independent Auditor's Report of even date to the members of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited] on the consolidated financial statements for the year ended March 31, 2023

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

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 consolidated financial statements

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

Opinion

8. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 23112433BGYMLZ7017

Mumbai
May 02, 2023

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Consolidated Balance Sheet as at March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

		Note No.	As at March 31, 2023	As at March 31, 2022
I	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	2(a)	12,841.74	10,988.63
	(b) Right of use assets	2(b)	1,371.72	1,616.30
	(c) Capital work - in - progress	2(c)	455.77	880.13
	(d) Goodwill	3(a)	79.41	79.41
	(e) Other intangible assets	3(b)	0.21	0.90
	(f) Intangible assets under development	3(c)	145.76	-
	(g) Financial assets			
	(i) Investments	4	8.61	8.61
	(ii) Other financial assets	5	500.35	207.60
	(h) Deferred tax assets (net)	29(e)	0.64	51.61
	(i) Current tax assets (net) - non-current	29(b)	346.30	147.23
	(j) Other non-current assets	6	372.17	642.61
	Total non-current assets		**16,122.68**	**14,623.03**
	Current assets			
	(a) Inventories	7	11,959.20	14,088.81
	(b) Financial assets			
	(i) Investments	4	7,484.14	2,257.39
	(ii) Trade receivables	8	11,419.25	8,802.84
	(iii) Cash and cash equivalents	9(a)	1,036.20	807.88
	(iv) Bank balances other than (iii) above	9(b)	18.50	3.78
	(v) Other financial assets	5	663.28	855.66
	(c) Current tax assets (net) -current	29(c)	-	118.10
	(d) Other current assets	10	1,742.45	2,154.20
			34,323.02	**29,088.66**
	(e) Assets held for sale	11	10.55	-
	Total current assets		**34,333.57**	**29,088.66**
	TOTAL ASSETS		**50,456.25**	**43,711.69**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	12	1,048.88	1,048.88
	(b) Other equity	13	27,218.84	20,369.43
	Equity attributable to owners of the Company		**28,267.72**	**21,418.31**
	Non-controlling interests	13	1,904.12	1,473.91
	Total equity		**30,171.84**	**22,892.22**
	Liabilities			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Lease liabilities	2(b)	1,242.92	1,390.22
	(b) Deferred tax liabilities (net)	29(e)	323.04	385.78
	Total non-current liabilities		**1,565.96**	**1,776.00**
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	1,454.87	1,752.09
	(ii) Lease liabilities	2(b)	185.17	161.77
	(iii) Trade payables	16	11,886.48	10,421.05
	(iv) Other financial liabilities	17	2,708.24	2,963.02
	(b) Provisions	18	999.90	1,246.06
	(c) Current tax liabilities (net)	29(d)	15.61	387.51
	(d) Other current liabilities	19	1,468.18	2,111.97
	Total current liabilities		**18,718.45**	**19,043.47**
	Total liabilities		**20,284.41**	**20,819.47**
	TOTAL EQUITY AND LIABILITIES		**50,456.25**	**43,711.69**
	SIGNIFICANT ACCOUNTING POLICIES	**1B**		

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

This is consolidated balance sheet referred to in our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration N0. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 02, 2023

Mumbai
May 02, 2023

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Consolidated Statement of Profit and Loss for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

		Note No.	Year ended March 31, 2023	Year ended March 31, 2022
I	**Revenue from operations**	20	86,407.89	81,201.40
II	**Other income**	21	789.35	1,646.48
III	**Total income (I+II)**		**87,197.24**	**82,847.88**
IV	**Expenses**			
	Cost of raw materials consumed	22	28,030.63	26,020.35
	Purchases of stock-in-trade	23	5,264.83	5,172.04
	Changes in inventories of work-in progress, finished goods and stock-in-trade	24	1,362.95	(102.28)
	Employee benefits expense	25	10,516.21	10,364.05
	Finance costs	26	299.42	391.06
	Depreciation and amortization expense	27	1,790.06	1,993.17
	Net impairment losses / (reversals) on financial assets	37	(239.11)	(69.96)
	Other expenses	28	29,983.10	28,623.31
	Total expenses (IV)		**77,008.09**	**72,391.74**
V	**Profit before exceptional items and tax (III-IV)**		**10,189.15**	**10,456.14**
VI	**Exceptional Items (net)**	50	(597.21)	1,186.83
VII	**Profit before tax (V+VI)**		**9,591.94**	**11,642.97**
VIII	**Tax expense**	29(a)		
	Current tax		2,430.14	2,922.12
	Deferred tax		(16.46)	212.98
	Tax charge in respect of earlier years		(7.04)	(15.89)
	Total tax expenses (VIII)		**2,406.64**	**3,119.21**
IX	**Profit for the period (VII- VIII)**		**7,185.30**	**8,523.76**
X	**Other comprehensive income / (loss)**			
	Items that will not be reclassified to profit or loss			
	- Remeasurements of defined benefit plans	30	68.64	(101.26)
	Income tax relating to items that will not be reclassified to profit/loss			
	- Income tax relating to items that will not be reclassified to profit/loss		(17.28)	19.64
	Other comprehensive income / (loss) for the period, net of tax		**51.36**	**(81.62)**
XI	**Total comprehensive income for the period (IX+X)**		**7,236.66**	**8,442.14**
	Total comprehensive income for the period (comprising profit and other comprehensive income for the period) attributable to:			
	Owners of the parent		6,811.15	8,003.54
	Non-controlling interests		425.51	438.60
			7,236.66	8,442.14
	Of the total comprehensive income above, profit attributable to:			
	Owners of the parent		6,760.91	8,091.68
	Non-controlling interests		424.39	432.08
			7,185.30	8,523.76
	Of the total comprehensive income above, other comprehensive income / (loss) attributable to:			
	Owners of the parent		50.24	(88.14)
	Non-controlling interests		1.12	6.52
			51.36	(81.62)
XII	**Earnings per equity share (face value of Rs. 2 each) attributable to owners of parent**	32		
	Basic earnings per share (in Rs.)		12.89	15.43
	Diluted earnings per share (in Rs.)		12.89	14.15
	SIGNIFICANT ACCOUNTING POLICIES	**1B**		

The above consolidated statement of profit and loss should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration N0. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
May 02, 2023

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 02, 2023

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Consolidated Statement of Changes in Equity for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

A. Equity Share Capital and Instruments entirely equity in nature

	Note No.	Equity Share Capital	Instruments entirely in the nature of equity
As at April 01, 2021	13	**874.07**	**2,200.00**
Change during the year		174.81	(2,200.00)
As at March 31, 2022	13	**1,048.88**	-
Change during the year		-	-
As at March 31, 2023	13	**1,048.88**	-

B. Other Equity

	Reserves and surplus					Total Other Equity attributable to owners of parent	Non-controlling interests	Total
	Securities Premium	Capital Reserve	Employee Stock Options Reserve	Capital Redemption Reserve	Retained Earnings			
Balance as at April 01, 2021	**314.50**	**2,859.91**	**104.40**	-	**17,719.96**	**20,998.77**	**1,963.83**	**22,962.60**
Profit for the year	-	-	-	-	8,091.68	8,091.68	432.08	8,523.76
Other comprehensive income / (loss) for the year	-	-	-	-	(88.14)	(88.14)	6.52	(81.62)
Total comprehensive income for the year	-	-	-	-	**8,003.54**	**8,003.54**	**438.60**	**8,442.14**
Employee Stock Option Plan Expenses	-	-	40.06	-	-	40.06	4.92	44.98
Issue of Bonus Shares	(174.81)	-	-	-	-	(174.81)	-	(174.81)
Dividends	-	-	-	-	(8,498.13)	(8,498.13)	(933.44)	(9,431.57)
Transfer (to) / from capital redemption reserve	-	-	-	2,200.00	(2,200.00)	-	-	-
Balance as at March 31, 2022	**139.69**	**2,859.91**	**144.46**	**2,200.00**	**15,025.37**	**20,369.43**	**1,473.91**	**21,843.34**
Profit for the year	-	-	-	-	6,760.91	6,760.91	424.39	7,185.30
Other comprehensive income / (loss) for the year	-	-	-	-	50.24	50.24	1.12	51.36
Total comprehensive income for the year	-	-	-	-	**6,811.15**	**6,811.15**	**425.51**	**7,236.66**
Employee Stock Option Plan Expenses	-	-	38.26	-	-	38.26	4.70	42.96
Balance as at March 31, 2023	**139.69**	**2,859.91**	**182.72**	**2,200.00**	**21,836.52**	**27,218.84**	**1,904.12**	**29,122.96**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

This is the consolidated Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration N0. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
May 02, 2023

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

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Director
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Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 02, 2023

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955

Consolidated Statement of Cash Flows for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

		Year ended March 31, 2023		Year ended March 31, 2022	
A.	**Cash flow from operating activities**				
	Profit before tax		10,189.15		10,456.14
	Adjustment for :				
	Depreciation and amortisation expenses	1,790.06		1,993.17	
	Net (gain) / loss on disposal/discard of property, plant and equipment	25.81		(444.08)	
	Interest income	(92.26)		(402.22)	
	Dividend income	(0.04)		0.04	
	Finance costs	299.42		391.06	
	Employee Stock Option Plan Expenses	42.96		44.98	
	Unrealised gain loss on foreign exchange fluctuations	35.10		(86.44)	
	Net gain loss on sale / fair valuation of investments	(179.10)		(78.99)	
	Gain on termination of lease	(1.13)		(104.73)	
	Exceptional Items	(1,118.71)		-	
	Net impairment losses (including reversals) on financial assets	(239.11)		(69.96)	
			563.00		1,242.83
	Operating profit before changes in operating assets and liabilities		10,752.15		11,698.97
	<u>Changes in operating assets and liabilities</u>				
	Decrease /(Increase) in inventory	2,129.61		(542.33)	
	(Increase) in trade receivables	(2,352.01)		(3,717.66)	
	Decrease /(Increase) in other financial assets	216.18		(774.79)	
	Decrease in other assets	548.45		902.27	
	Increase / (Decrease) in trade payables	1,461.09		(204.42)	
	(Decrease) / Increase in trade financial liabilities	(370.22)		314.18	
	(Decrease) / Increase in trade liabilities	(643.79)		147.87	
	(Decrease) in provisions	(177.52)		(113.50)	
			811.79		(3,988.38)
			11,563.94		7,710.59
	Less: Income taxes paid (Net)		(2,875.06)		(2,558.32)
	Net cash flows generated from operating activities		**8,688.88**		**5,152.27**
B.	**Cash flows from Investing Activities**				
	Proceeds from repayment of inter corporate deposit by related parties		-		10,310.00
	Proceeds from sale of property, plant & equipment		943.07		889.68
	Purchase of current investments (net)		(5,047.65)		(734.64)
	Investment in time deposits		(323.05)		(56.13)
	Interest received		62.24		455.17
	Dividend Income		0.04		0.04
	Purchase of property, plant & equipment (including capital work-in-progress and capital advances)		(3,351.05)		(1,835.23)
	Inter Corporate Deposit placed with group companies		-		(1,100.00)
	Net cash flows (used in) / generated from investing activities		**(7,716.40)**		**7,928.85**
C.	**Cash flows from Financing Activities**				
	Redemption of Preference Shares		-		(2,200.00)
	Dividend Paid		-		(9,428.13)
	Repayment of long term borrowings		-		(9.69)
	Repayment of Short term borrowings (net)		(297.22)		(804.84)
	Principal element of lease payments		(162.41)		(112.38)
	Interest on lease liabilities		(149.21)		(167.88)
	Interest paid - others		(135.32)		(209.55)
	Net cash flows used in financing activities		**(744.16)**		**(12,932.47)**
	Net Increase in Cash and Cash Equivalents (A+B+C)		228.32		148.65
	Cash and Cash Equivalents at the beginning of the year		807.88		659.23
	Cash and Cash Equivalents as at the end of the year (Refer note 9(a))		**1,036.20**		**807.88**

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955

Consolidated Statement of Cash Flows for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Non-cash financing and investing activities

	Year ended March 31, 2023	Year ended March 31, 2022
Acquisition of right-of-use assets	61.02	724.15
Issue of Bonus Shares	-	174.81

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

This is consolidated cash flow statement referred to in our attached report of even date

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

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
May 02, 2023

For and on behalf of the Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 02, 2023

1 A. Corporate Information

JK Files & Engineering Limited (formerly known as JK Files (India) Limited) ("the Company") is a public company limited by shares and domiciled in India. The Company and its subsidiaries (together referred to as "the Group") deals in tools and hardware and auto component. The Group have manufacturing facilities at Chiplun, Ratnagiri, Nasik and Vapi. The Registered office of the Company is situated at New Hind House, Narottam Morarjee Marg, Ballard Estate, Mumbai - 400 001.

This Consolidated Financial Statements were authorised for issues in accordance with a resolution of the Board of Directors on May 02, 2023.

1 B. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of the Consolidated Financial Statements. These policies have been consistently applied to all the periods presented.

(a) Basis of Preparation

(i) The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'IndAS' as notified under pursuant to section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting standards) Rules, 2015, as amended], and other relevant provisions of the Act.
The accounting policies are applied consistently to all the periods presented in the financial statement.

(ii) Historical cost convention

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities (including derivative instruments) are measured at fair value;
2) assets held for sale – measured at lower of book value or fair value less cost to sell; and
3) defined benefit plans – plan assets measured at fair value.

(iii) New and amended standards adopted by the Group

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments 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) New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.
The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.
These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Group's accounting policy already complies with the now mandatory treatment.

(v) Current / non-current classification

All assets and liabilities have been classified as current or non-current as per the normal operating cycle (twelve months) and other criteria set out in the Schedule III (Division II) to the Act.

(vi) Rounding of amounts

All the amounts included in the Consolidated Financial Statements are presented in Indian Rupees ('Rupees' or 'Rs.' or 'INR') and are rounded to the nearest lakhs with two decimal places, unless otherwise stated.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the Consolidated Financial Statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.
The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Principles of Consolidation

Subsidiaries:

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combination by the Group. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are the same as those adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet respectively.

(d) Property, plant and equipment

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

Depreciation methods, estimated useful lives and residual value

Depreciation on Factory Buildings and Plant and Equipment is provided on a Straight Line Method and in case of other assets on Written Down Value Method, net of their residual values, over the estimated useful lives of assets. Leasehold improvements are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The Group depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and Group believe that useful lives of assets are same as those prescribed in Schedule II of the Act, except for plant and machinery and certain vehicles, the useful life for which based on an independent technical evaluation and has been estimated as 24 years from the date of acquisition (on a single shift basis) and 5 years respectively, which is different from that prescribed in Schedule II of the Act.

The estimated useful lives of the property, plant and equipment are:

Class of Asset	Useful life
Buildings	60 years
Plant and machinery	24 years
Furniture and fixtures	10 years
Vehicles	5 - 8 years
Office equipment	5 years
Computers	3 years

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

(e) Intangible assets

Goodwill generated as part of business combination is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

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

Trademarks
Trademarks acquired separately are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Amortisation method
The Group amortizes intangible assets with a finite useful life using the straight-line method over following period:

Class of assets	Useful life
- Computer Software	: 3 years
- Trademark	: 10 years

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

(f) Leases

As a lessee

Leases are recognised as a right-of-use asset ("ROU") and a corresponding lease liability at the date at which leased asset is available for use by the Group for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term leases and leases of low value assets, the Group recognises the lease payments as an expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and restoration costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments which includes principal and finance cost component. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

To determine the incremental borrowing rate, the Group where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss.

(g) Cash and Cash Equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Inventories

Inventories of raw materials, stock in trade, stores and spares, work-in-progress, and finished goods are stated at cost or net realisable value, whichever is lower'. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Cost formula used is 'Weighted Average cost'. Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(i) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects the Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(k) Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:
* those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss,) and
* those measured at amortised cost.
The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition

Financial assets are initially recognised when the Group becomes party to the contractual provisions of the instrument.

(iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group measures its debt instruments in following categories:

▪ Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included within other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / other expenses. Impairment losses are presented as separate line item in the statement of profit and loss.

▪ Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net with other income / other expenses in the period in which it arises.

(iv) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Note 38 details how the Group determines whether there has been a significant increase in credit risk.

(v) Derecognition of financial assets

A financial asset is derecognised only when:
• the Group has transferred the rights to receive cash flows from the financial asset or
• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

(vi) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

(l) Contributed Equity

Equity shares are classified as equity. Convertible instruments such as preference shares that will be or are expected to be settled in the Company's own equity instruments are classified as equity if they are expected to be settled into a fixed number of equity shares.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(m) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(n) Derivative financial instruments

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

(o) Offsetting financial instruments

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

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income / other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(q) Borrowing costs

Interest and other borrowing costs attributable to the acquisition, construction or production of a qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other interest and borrowing costs are charged to profit or loss.

(r) Provisions, contingent liabilities and contingent assets

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

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in the Consolidated Financial Statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the Consolidated Financial Statements unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

(s) Revenue from contracts with customers

(i) Sale of Goods

Sales are recognised when the control of the goods has been transferred to customer which is generally on delivery of goods and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, risk of obsolescence and loss have been transferred to the customer and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for the acceptance have been satisfied.

The goods are sold with retrospective volume discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that is highly probable that a significant reversal will not occur. A refund liability (included in other current liabilities) is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No significant element of financing is deemed present as the sales are made with a normal credit period, which is consistent with market practice.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) Sales of Services

Revenue from sale of services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided.

Cash received before the goods and services are delivered is recognised as a contract liability.

(iii) Financing Components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(t) Employee benefits

(i) Short-term Employee Benefits:

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

(ii) Defined Contribution Plans

The Group pays provident fund contributions etc. to publicly administered provident and other funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are incurred.

(iii) Post-employment obligations

Defined Benefit Plans

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

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by actuary applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit or Loss.

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

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

(iv) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(v) Termination benefits

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

(u) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in Indian rupee (INR), which is JK Files & Engineering Limited's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the respective transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in profit or loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in profit or loss.

(v) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the jurisdiction where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the Consolidated Financial Statements. However, deferred tax liabilities are not accounted if they arise from initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defer income tax assets is realised or the deferred income tax liability is settled.

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

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiary, where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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

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

(w) Earnings Per Share

Basic earnings per share

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

Diluted earnings per share

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

(x) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director.

The board of directors of Company has appointed a Managing Director who assesses the financial performance and position of the Group, and makes strategic decisions.

(y) Impairment of non-financial assets:

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

(z) Non- current assets (or disposal groups) held for sale :

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (or disposal groups) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

(aa) Exceptional Item:

Exceptional item is an item of income or expense within the Statement of Profit and Loss, which is of such size, nature and incidence that its disclosure is relevant to explain the performance of the Group for the period. The nature and amount of such item is disclosed separately in the Statement of Profit and Loss.

(ab) Government Grants:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

(ac) Business Combinations:

The acquisition method of accounting is used to account for all business combinations (other than common control business combinations), regardless of whether equity instruments or other assets are acquired. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholder's equity.

(ad) Share Based Payments:

Share-based compensation benefits are provided to employees via the Ring Plus Aqua Limited-Employee Stock Option Scheme 2019 (RPAL ESOP 2019).

The fair value of options granted under the RPAL ESOP 2019 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

1 C. Critical estimates and judgements

The preparation of Consolidated Financial Statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Consolidated Financial Statements.

The areas involving critical estimates are:

- Estimation of Defined benefit obligation - Measurement of defined benefit obligation and related plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality. (Refer Note 30)
- Inventory write down - Inventory write downs are assessed based on slow-moving, non-moving and defective inventories considering various factors such as likely usage, obsolescence etc. (Refer Note 7)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

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Note 2(a): Property, Plant and Equipment

	Buildings	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying amount							
As at April 01, 2021	**4,013.02**	**15,594.71**	**198.52**	**1,190.17**	**320.76**	**302.57**	**21,619.75**
Additions	81.84	538.78	7.47	44.20	27.80	61.75	761.84
Disposals / Adjustments	3.01	121.50	65.64	1,153.25	6.53	0.64	1,350.57
As at March 31, 2022	**4,091.85**	**16,011.99**	**140.35**	**81.12**	**342.03**	**363.68**	**21,031.02**
Additions	311.14	3,188.22	121.03	29.18	67.60	81.72	3,798.89
Disposals / Adjustments	303.91	521.43	1.17	22.00	2.57	11.67	862.75
As at March 31, 2023	**4,099.08**	**18,678.78**	**260.21**	**88.30**	**407.06**	**433.73**	**23,967.16**
Accumulated depreciation							
As at April 01, 2021	**712.18**	**7,264.84**	**148.57**	**575.65**	**154.29**	**228.84**	**9,084.37**
Charge for the year	155.98	1,357.95	9.72	210.26	46.21	36.73	1,816.85
Disposals / Adjustments	2.74	81.09	57.01	712.19	5.34	0.46	858.83
As at March 31, 2022	**865.42**	**8,541.70**	**101.28**	**73.72**	**195.16**	**265.11**	**10,042.39**
Charge for the year	153.81	1,323.82	11.91	3.74	51.28	40.33	1,584.89
Disposals / Adjustments	107.85	362.19	1.10	19.64	1.19	9.89	501.86
As at March 31, 2023	**911.38**	**9,503.33**	**112.09**	**57.82**	**245.25**	**295.55**	**11,125.42**
Net carrying amount							
As at March 31, 2022	**3,226.43**	**7,470.29**	**39.07**	**7.40**	**146.87**	**98.57**	**10,988.63**
As at March 31, 2023	**3,187.70**	**9,175.45**	**148.12**	**30.48**	**161.81**	**138.18**	**12,841.74**

Note 2(b): Leases

This note provides information for leases where the Group is a lessee. The Group has leasehold land ranging from 95 to 99 years. The Group has also leased offices, factories and warehouses for which lease terms range from 11 months to 15 years.

(i) Amounts recognised in Consolidated Balance Sheet

Set out below are the carrying amounts of right of use assets recognised and movements during the year:

Particulars	Leasehold Land	Buildings	Total right of use assets
I. Gross carrying amount			
As at April 01, 2021	**498.96**	**1,370.19**	**1,869.15**
Additions	-	724.15	**724.15**
Disposals / Adjustments	-	578.65	**578.65**
As at March 31, 2022	**498.96**	**1,515.69**	**2,014.65**
Reclassification of asset as 'Asset Held for Sale' (Refer note 11)	10.55	-	**10.55**
Additions	-	61.02	**61.02**
Disposals / Adjustments	83.51	15.86	**99.37**
As at March 31, 2023	**404.90**	**1,560.85**	**1,965.75**
II. Accumulated depreciation			
As at April 01, 2021	**21.23**	**421.46**	**442.69**
Charge for the year	7.41	161.44	**168.85**
Disposals / Adjustments	-	213.19	**213.19**
As at March 31, 2022	**28.64**	**369.71**	**398.35**
Charge for the year	6.79	197.69	**204.48**
Disposals / Adjustments	7.86	0.94	**8.80**
As at March 31, 2023	**27.57**	**566.46**	**594.03**
Net carrying value			
As at March 31, 2022	**470.32**	**1,145.98**	**1,616.30**
As at March 31, 2023	**377.33**	**994.39**	**1,371.72**

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities		
Current	185.17	161.77
Non-current	1,242.92	1,390.22
Total	**1,428.09**	**1,551.99**

(ii) Amounts recognised in the Consolidated Statement of Profit and loss

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

Particulars	Note	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of right-of-use assets	27		
- Leasehold Land		6.79	7.41
- Buildings		197.69	161.44
Interest expense (included in finance costs)	26	149.21	167.88
Expense relating to short-term leases (included in other expenses)	28(b)	221.54	200.22

The total cash outflow for leases for the year ended March 31, 2023 Rs. 533.16 lakhs; and for the year ended March 31, 2022 was Rs. 480.48 lakhs (including short term lease payments).

(iii) Extension and termination options

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

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Note 2(c): Capital work - in - progress (CWIP)

	CWIP
Balance as at April 01, 2021	**67.51**
Additions	1,433.23
Capitalization	620.61
Balance as at March 31, 2022	**880.13**
Additions	3,075.72
Capitalization	3,500.08
Balance as at March 31, 2023	**455.77**

Notes:
i) CWIP ageing schedule

Projects in progress

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023	452.97	-	2.80	-	455.77
As at March 31, 2022	877.33	2.80	-	-	880.13

ii) Actual cost of capital projects in progress has not exceeded the estimated cost and the actual timelines for completion of projects has not exceeded the estimated timelines in respect of the amounts reported above, as at the end of each reporting period. Accordingly, completion schedule is not presented.

iii) CWIP majorly comprises of machinery which are pending installation.

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Note 3(a): Goodwill

Goodwill was recognised on demerger of files and tools division of Raymond Limited into the Company in earlier years. The goodwill is allocated to the CGU - tools and hardware.
The carrying amount of goodwill is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Goodwill	79.41	79.41
Total	**79.41**	**79.41**

The Group has performed an impairment assessment for year ended March 31, 2023 and year ended March 31, 2022 considering profits earned by CGU being significantly higher than carrying amount of goodwill for all the years covered above, thus no impairment on goodwill has been recognised.

Note 3(b): Other Intangible assets

	Computer Software	Brands and trademarks	Total
Gross carrying amount			
As at April 01, 2021	**135.07**	**1,125.00**	**1,260.07**
Additions	-	-	-
Disposals / Adjustments	-	-	-
As at March 31, 2022	**135.07**	**1,125.00**	**1,260.07**
Additions	-	-	-
Disposals / Adjustments	-	-	-
As at March 31, 2023	**135.07**	**1,125.00**	**1,260.07**
Accumulated amortisation			
Accumulated amortisation as at April 01, 2021	**126.70**	**1,125.00**	**1,251.70**
Charge for the year	7.47	-	7.47
Disposals / Adjustments	-	-	-
Accumulated amortisation as at March 31, 2022	**134.17**	**1,125.00**	**1,259.17**
Charge for the year	0.69	-	0.69
Disposals / Adjustments	-	-	-
Accumulated amortisation as at March 31, 2023	**134.86**	**1,125.00**	**1,259.86**
Net carrying amount			
As at March 31, 2022	**0.90**	**-**	**0.90**
As at March 31, 2023	**0.21**	**-**	**0.21**

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Note 3(c): Intangible assets under development

	Intangible assets under development
Balance as at April 01, 2021	-
Additions	-
Capitalization	-
Balance as at March 31, 2022	**-**
Additions	145.76
Capitalization	-
Balance as at March 31, 2023	**145.76**

Notes:

i) Intangible assets under development ageing schedule:

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023	145.76		-		145.76
As at March 31, 2022	-	-	-	-	-

ii) Actual cost of Intangible assets under development has not exceeded the estimated cost and actual timelines for completion of an projects has not exceeded the estimated timelines in respect of the amount reported above as at the end of each reporting period.Accordingly, completion schedule is not presented.

iii) Intangible assets under development comprises of ERP Licenses and its implementation Cost.

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

Note 4: Investments

Non-current	**As at March 31, 2023**	**As at March 31, 2022**
Investments in equity instruments (Unquoted) - measured at fair value through profit and loss		
10,000 (March 31, 2022 : 10,000) shares of SICOM Limited (Equity Shares of Rs.10 each)	7.91	7.91
7,000 (March 31, 2022 : 7,000) shares of Saraswat Co-operative Bank Limited (Equity Shares of Rs.10 each)	0.70	0.70
421,000 (March 31, 2022 : 421,000) shares of Trinity Auto Component Limited (Equity Shares of Rs.10 each)	-	-
Total	**8.61**	**8.61**
Aggregate value of unquoted investment	8.61	8.61

Current	**As at March 31, 2023**	**As at March 31, 2022**
Investments in Mutual Fund		
Unquoted		
Nil (March 31, 2022 : 280,620.74) Units of Aditya Birla Sun Life Liquid Fund - Growth-Regular Plan	-	955.33
82,019.859 (March 31, 2022 : 39,685.09) Units of Nippon India Ultra Short Duration Fund - Growth Plan	2,830.75	1,302.06
12,857.222 (March 31, 2022 : Nil) Units in Nippon India Liquid Fund - Growth Plan - Growth Option	701.12	-
5,720,131.157 (March 31, 2022 : Nil) Units in Aditya Birla Sun Life Crisil IBX AAA - Jun 2023 Index Fund Regular Growth	601.04	-
440,356.192 (March 31, 2022 : Nil) Units in Aditya Birla Sun Life Saving Fund Growth	2,043.94	-
1,370,579.276 (March 31, 2022 : Nil) Units in Kotak Saving Growth Plan (Regular Plan)	503.06	-
1,984.972 (March 31, 2022 : Nil) Units in SBI Magnum Ultra Short Duration Fund Regular Growth	101.13	-
1,702,871.875 (March 31, 2022 : Nil) Units in ICICI Prudential Ultra Short Term Fund Growth	402.09	-
4,569.153 (March 31, 2022: Nil) Units in HDFC Liquid Fund - Regular Plan - Growth	200.31	-
794,695.936 (March 31, 2022: Nil) Units in Axis Ultra Short Term Fund - Regular Growth	100.70	-
Total	**7,484.14**	**2,257.39**
Aggregate amount of unquoted investment	7,484.14	2,257.39

Note 5: Other financial assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Non-current		
Security deposits	120.67	150.97
Margin money deposit with banks*	379.68	56.63
Total	**500.35**	**207.60**

*Refer below
(i) Rs. 0.50 Lakhs (Previous year :- Rs 0.50 Lakhs) held with a Bank as lien with Gujarat Irrigation Department.
(ii) Rs. 379.18 Lakhs (Previous year:- Rs. 56.13 Lakhs) held with banks against various guarantees and letter of credit

	As at March 31, 2023	As at March 31, 2022
Current		
Security deposits	0.25	0.25
Derivative financial instruments (Refer Note 37)	3.04	25.14
Receivable from related parties *	700.64	886.28
Less: Allowance for doubtful receivable	(50.12)	(83.72)
Interest accrued	9.47	3.95
Other receivables	-	23.76
Total	**663.28**	**855.66**

* includes Initial Public Offer (IPO) expenses reimbursable by the holding company, Raymond Limited (Refer Note 40).

Note 6: Other non-current assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Capital advances	271.91	409.41
Less: Allowance for doubtful advances	-	(3.77)
Refund due from government authorities	75.88	247.40
Less: Allowance for doubtful refund	(75.88)	(128.39)
Deposits with government authorities	100.26	117.96
Total	**372.17**	**642.61**

Note 7: Inventories

	As at March 31, 2023	As at March 31, 2022
Raw materials	2,721.13	3,052.01
Raw material in transit	-	341.14
Work-in-progress	2,771.96	2,929.31
Finished goods	4,741.32	5,712.34
Stock-in-trade	1,110.84	1,216.14
Stock-in-trade in transit	13.05	142.33
Stores and spares	600.90	695.54
Total	**11,959.20**	**14,088.81**

Write-down of inventories are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value and in case of reversal of write-down are mainly on account of commodity price movement (steel) and changes in market demand pattern due to changes in market dynamics. Reversal of write-down of inventories amounted to Rs. 293.10 lakhs for the year ended March 31, 2023 (Write-down Rs. 542.32 lakhs for the year ended March 31, 2022). These write- downs or reversal thereof were recognised as expenses / reduction of expenses and included in 'Raw material consumed', 'changes in value of inventories of finished goods, stock- in -trade and work -in- progress' and 'consumption of stores and spares' in the Consolidated Statement of Profit and Loss.

Note 8: Trade receivables

	As at March 31, 2023	As at March 31, 2022
Trade Receivables from related parties (Refer note 40)	13.93	240.88
Trade Receivables from others customers	11,804.77	9,166.92
Less: Loss allowances	(399.45)	(604.96)
Total receivables	**11,419.25**	**8,802.84**

Break-up of security details

	As at March 31, 2023	As at March 31, 2022
Considered good, Secured	169.56	159.10
Considered good, Unsecured	11,649.14	9,248.70
Doubtful	-	-
Receivables which have significant increase in credit risk	-	-
Receivables credit impaired	-	-
Total	**11,818.70**	**9,407.80**
Less: Loss allowances	(399.45)	(604.96)
Total trade receivables	**11,419.25**	**8,802.84**

Note:
Trade Receivable (considered good) ageing schedule

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2023							
(i) Undisputed Trade receivables	9,504.05	1,915.20	59.18	8.62	0.80	142.91	11,630.76
(ii) Disputed Trade Receivables	-	-	-	-	-	187.94	187.94
Total	**9,504.05**	**1,915.20**	**59.18**	**8.62**	**0.80**	**330.85**	**11,818.70**
As at March 31, 2022							
(i) Undisputed Trade receivables	7,796.83	1,037.26	13.96	1.98	1.97	367.86	9,219.86
(ii) Disputed Trade Receivables	-	-	-	-	-	187.94	187.94
Total	**7,796.83**	**1,037.26**	**13.96**	**1.98**	**1.97**	**555.80**	**9,407.80**

Note 9 (a): Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Balances with banks		
- In current accounts	1,018.18	754.98
- In deposit accounts	-	50.00
Cash on hand	3.02	2.90
Cheques on hand	15.00	-
Total	**1,036.20**	**807.88**

Note 9 (b): Bank balances other than 9(a) above

	As at March 31, 2023	As at March 31, 2022
Balance in dividend account	3.50	3.78
Deposits with maturity more than three months but less than twelve months	15.00	-
Total	**18.50**	**3.78**

* Includes Rs. 3.44 lakhs (Previous year Rs. 3.44 lakhs) pertaining to unpaid dividend

Note 10: Other current assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Export benefit receivables	408.78	622.14
GST receivable/refundable	673.22	826.43
Advances to suppliers	485.08	553.59
Prepaid expenses	142.00	127.50
Other advances	33.37	24.54
Total	**1,742.45**	**2,154.20**

Note 11: Assets held for sale

	As at March 31, 2023	As at March 31, 2022
Leasehold Land	10.55	-
Total	**10.55**	**-**

During the financial year, the Board of Directors of subsidiary company, Ring Plus Aqua Limited ("RPAL"), in its meeting held on May 12, 2022 has approved the sale of rights in leasehold land having book value of Rs. 10.55 Lakhs. RPAL entered into an Memorandum of Understanding (MoU) on May 26, 2022 with Kunde Poly Product Private Ltd and has received advance of Rs 131.52 lakhs against proposed sale. The said amount is shown under Note 19 "Other Current Liabilities". The Leasehold land is carried at the book value in accordance with Ind AS 105 - 'Non current asset held for sale and discontinuing operations' being lower than fair value less cost to sale. RPAL is in process of executing document.

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 12: Equity Share capital

	As at March 31, 2023	As at March 31, 2022
Authorised		
85,000,000 [March 31, 2022 : 85,000,000] Equity Shares of Rs. 2 each #	1,700.00	1,700.00
2,200,000 [March 31, 2022 : 2,200,000] 9% Non-Cumulative Convertible Preference Shares of Rs.100 each*	2,200.00	2,200.00
Total	**3,900.00**	**3,900.00**
Issued, subscribed and fully paid up		
52,443,948 [March 31, 2022 : 52,443,948] Equity Shares of Rs. 2 each #	1,048.88	1,048.88
Total	**1,048.88**	**1,048.88**

a) Reconciliation of number of shares outstanding

	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity Shares #				
Balance as at the beginning of the year	52,443,948	1,048.88	8,740,658	874.07
Add: Impact of sub-division of equity shares #	-	-	34,962,632	-
	52,443,948	1,048.88	43,703,290	874.07
Add: Bonus Shares issued during the year #	-	-	8,740,658	174.81
Balance as at the end of the year	**52,443,948**	**1,048.88**	**52,443,948**	**1,048.88**
Instruments entirely equity in nature				
9% Non-Cumulative Convertible Preference Shares ("Preference Shares" or "NCCPS") *				
Balance as at the beginning of the year	-	-	2,200,000	2,200.00
Less: Redeemed during the year	-	-	(2,200,000)	(2,200.00)
Balance as at the end of the year	**-**	**-**	**-**	**-**

b) Right, preference and restrictions attached to shares:

i) Equity shares: The Company has only one class of equity shares having par value of Rs. 2 per share. Each shareholder is entitled to one vote per share. In the event of liquidation of the Company the holder of equity shares will be entitled to receive any of the remaining assets of the Group after distribution of all preferential payments. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Preference shares: During the previous year, pursuant to the approval of Board of Directors in their meeting held on September 27, 2021, the Company had exercised its option and redeemed NCCPS on October 06, 2021.

c) Shares of the Company held by holding company

	As at March 31, 2023	As at March 31, 2022
Equity Shares #		
Raymond Limited, India and its nominees	52,443,948	52,443,948

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

Name of Shareholders	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% of Holding	Number of shares	% of Holding
Equity Shares #				
Raymond Limited, India and its nominees	52,443,948	100%	52,443,948	100%

e) During the five years immediately preceding the reporting date, no shares have been bought back nor had the Company issued any bonus shares or any shares for consideration other than cash, other than as disclosed in Note 47.

f) Disclosure of Shareholding of Promoters
Since all the shares of the Company are held by its promoter Raymond Limited and there being no changes in such shareholding as at the end of the each year referred in 12 d) above, hence no separate disclosure is required in respect of 'Disclosure of Shareholding of Promoters'.

* Refer Note 39 for Redemption of 9% Non-Cumulative Convertible Preference Shares ("9% NCCPS")

Refer Note 46 and Note 47 for sub-division of equity shares and issue of bonus shares respectively.

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

Note 13: Other Equity

	Reserves and surplus					Total Other Equity attributable to owners of parent	Non-controlling interests	Total
	Securities Premium	Capital Reserve	Employee Stock Options Reserve	Capital Redemption Reserve	Retained Earnings			
Balance as at April 01, 2021	**314.50**	**2,859.91**	**104.40**	**-**	**17,719.96**	**20,998.77**	**1,963.83**	**22,962.60**
Profit for the year	-	-	-	-	8,091.68	8,091.68	432.08	8,523.76
Other comprehensive income / (loss) for the year	-	-	-	-	(88.14)	(88.14)	6.52	(81.62)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**8,003.54**	**8,003.54**	**438.60**	**8,442.14**
Employee Stock Option Plan Expenses	-	-	40.06	-	-	40.06	4.92	44.98
Issue of Bonus Shares	(174.81)	-	-	-	-	(174.81)	-	(174.81)
Dividends	-	-	-	-	(8,498.13)	(8,498.13)	(933.44)	(9,431.57)
Transfer (to) / from capital redemption reserve	-	-	-	2,200.00	(2,200.00)	-	-	-
Balance as at March 31, 2022	**139.69**	**2,859.91**	**144.46**	**2,200.00**	**15,025.37**	**20,369.43**	**1,473.91**	**21,843.34**
Profit for the year	-	-	-	-	6,760.91	6,760.91	424.39	7,185.30
Other comprehensive income / (loss) for the year	-	-	-	-	50.24	50.24	1.12	51.36
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**6,811.15**	**6,811.15**	**425.51**	**7,236.66**
Employee Stock Option Plan Expenses	-	-	38.26	-	-	38.26	4.70	42.96
Balance as at March 31, 2023	**139.69**	**2,859.91**	**182.72**	**2,200.00**	**21,836.52**	**27,218.84**	**1,904.12**	**29,122.96**

Securities Premium
Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Act.

Capital Reserve
Capital Reserve was created on account of merger of Trinity India Limited with Ring Plus Aqua Limited pursuant to the Scheme of Amalgamation in the financial year 2012-13.

Employee Stock Options Reserve
The Employee Stock Options Reserve is used to recognise the grant date fair value of options issued to employees under 'Ring Plus Aqua Limited - Employee stock option plan 2019' (Refer Note 49).

Capital Redemption Reserve
Capital Redemption Reserve is created on redemption of NCCPS and it is non-distributable reserve.

Note 14: Non current borrowings

	As at March 31, 2023	As at March 31, 2022
Unsecured		
Interest free Deferred Sales tax payment liabilities	-	9.69
Less: Current maturity of long term borrowings (included in Note 15)	-	(9.69)
Total	**-**	**-**

The carrying amounts of financial and non-financial assets as security for secured borrowings are disclosed in Note 33 - Assets pledged as security.

In respect of borrowings made from Banks on the basis of security of current assets, quarterly returns or statements of current assets filed by the Company and its subsidiaries with banks are in agreement with the books of accounts in respect of all the years referred above and there are no material discrepancies found.

The above borrowings have been utilized by the Group for meeting requirement as per the terms of the loans and has not been further advanced or loaned by the Group to any other parties.

Note 15: Current borrowings

	Terms of repayment	Interest Rate	As at March 31, 2023	As at March 31, 2022
Loans repayable on demand				
Secured				
From banks				
- Cash credit	Repayable on demand	8.20% ~8.55%	-	279.90
- Packing credit	Repayable on demand	3.63% ~8.20%	501.90	1,311.26
- Buyers Credit Loan	Repayable Rs. 163.09 lacs on Dec 1, 2023; Rs. 196.92 lacs on June 27, 2023 Rs. 359.6 lacs on April 12, 2023	0.90% to 4.11%	724.43	154.08
(The above borrowings are secured by way of first pari passu charge on all current assets of the respective companies to whom above facilities has been granted)				
From Financial Institutions				
-Channel Financing (Refer Note iv below)	Repayable on demand		235.27	-
Current maturities of long-term debt (Refer Note 14)			-	9.69
Total current borrowings			**1,461.60**	**1,754.93**
Less: Interest accrued but not due on borrowings (included in Note 17)			(6.73)	(2.84)
Total			**1,454.87**	**1,752.09**

(i) The carrying amounts of financial and non-financial assets pledged as security for secured borrowings are disclosed in Note 33 - Assets pledged as security.

(ii) In respect of borrowings made from banks on the basis of security of current assets, quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts in respect of all the years referred above and there are no material discrepancies found.

(iii) The above borrowings have been utilized by the Group for meeting requirement as per the terms of the loans and has not been further advanced or loaned by the Group to any other parties.

(iv) The Group has availed Channel Financing arrangement for its customers from a financial institution, for which it has provided a first loss default guarantee. As per the terms of this facility, should the customers default in making payment, the contractual first loss default guarantee of 15% will be invoked on the Group by the financial institution. The total amount of contractual cash flow associated with this arrangement and outstanding as at March 31, 2023 is Rs. 235.27 lakhs (Previous Year: Nil), which has been disclosed under current borrowings.

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

Net debt reconciliation	**As at March 31, 2023**	**As at March 31, 2022**
Cash and cash equivalents	(1,036.20)	(807.88)
Current borrowings	1,454.87	1,752.09
Non current borrowings	-	-
Interest accrued but not due on borrowings	6.73	2.84
Lease liabilities	1,428.09	1,551.99
Net debt	**1,853.49**	**2,499.04**

	Other assets	**Liabilities from financing activities**			
	Cash and Cash equivalents	**Lease liabilities**	**Non current borrowings (Including interest accrued)**	**Current borrowings (Including interest accrued)**	**Total**
Net Debt as at April 01, 2021	**(659.23)**	**1,410.43**	**9.69**	**2,559.16**	**3,320.05**
Cash flows	(148.65)	(112.38)	(9.69)	(804.84)	(1,075.56)
Non - Cash movement	-	253.94	-	-	253.94
Interest expense	-	167.88	-	151.86	319.74
Interest paid	-	(167.88)	-	(151.25)	(319.13)
Net Debt as at March 31, 2022	**(807.88)**	**1,551.99**	**-**	**1,754.93**	**2,499.04**
Cash flows	(228.32)	(162.41)	-	(297.22)	(687.95)
Other non-cash movements:					
- Acquisitions / Disposals	-	38.51	-	-	38.51
Interest expense	-	149.21	-	86.49	235.70
Interest paid	-	(149.21)	-	(82.60)	(231.81)
Net Debt as at March 31, 2023	**(1,036.20)**	**1,428.09**	**-**	**1,461.60**	**1,853.49**

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

Note 16: Trade payables

	As at March 31, 2023	As at March 31, 2022
Trade payables	11,886.48	10,421.05
Total	**11,886.48**	**10,421.05**

Note:

Trade Payable ageing schedule

Particulars	Unbilled dues	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
As at March 31, 2023	1,584.65	6,176.40	4,019.90	36.34	24.55	44.64	11,886.48
As at March 31, 2022	2,047.75	5,350.18	2,954.32	14.00	31.20	23.60	10,421.05

There are no disputed trade payables.

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

Note 17: Other current financial liabilities

	As at March 23, 2023	As at March 31, 2022
Unclaimed dividends (Refer Note below)	3.44	3.44
Interest accrued but not due on borrowings	6.73	2.84
Capital creditors	93.83	58.32
Deposits from dealers, agents etc.	557.37	591.33
Employee benefits payable	1,920.22	2,118.24
Derivative financial instruments (Refer Note 37)	76.04	0.98
Payable to related parties (Refer Note 40)	-	58.32
Other payables	50.61	129.55
Total	**2,708.24**	**2,963.02**

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

Note 18: Provisions

	As at March 23, 2023	As at March 31, 2022
Provision for employee benefits (Refer note 30)		
-Gratuity	466.79	666.56
-Compensated absences	533.11	579.50
Total	**999.90**	**1,246.06**

Note 19: Other current liabilities

	As at March 23, 2023	As at March 31, 2022
Contract liabilities *	767.42	1,426.02
Advance against assets held for sale (Refer note 11)	131.52	-
Statutory dues payable	226.21	352.52
Refund liabilities	108.98	86.38
Stamp duty payable	177.80	177.80
Other payables	56.25	69.25
Total	**1,468.18**	**2,111.97**

* Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year.

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

Note 20: Revenue from operations

	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contract with customers		
Sale of Products - recognised at a point in time		
(i) Manufactured goods - Domestic	31,981.70	27,062.84
(ii) Manufactured goods - Export	42,823.94	43,450.61
(iii) Stock-in trade- Domestic	6,198.80	5,322.68
(iv) Stock-in trade- Export	737.38	735.13
Total (A)	**81,741.82**	**76,571.26**
Sale of Services - recognised over a period of time	409.39	688.12
Total (B)	**409.39**	**688.12**
Revenue from contracts with customers (A+B) (C)	**82,151.21**	**77,259.38**
Other operating revenue		
(i) Export Incentives	909.83	968.37
(ii) Process waste sale	3,328.82	2,870.31
(iii) Others	18.03	103.34
Total (D)	**4,256.68**	**3,942.02**
Total (C + D)	**86,407.89**	**81,201.40**

Notes:

(i) Disaggregation of revenue from contracts with customers:

The Group derives revenue from the transfer of goods and services in the following geographical regions:

	Year ended March 31, 2023	Year ended March 31, 2022
India	38,180.50	32,385.52
Africa	7,620.04	6,967.14
America	16,556.48	18,858.89
Asia (excluding India)	6,933.63	7,179.90
Europe	12,833.72	11,826.11
Australia	26.84	41.82
Total	**82,151.21**	**77,259.38**

The Group derives revenue from the transfer of following goods and services:

	Year ended March 31, 2023	Year ended March 31, 2022
Tools & Hardware		
Files	26,469.48	29,741.25
Drills	11,712.93	9,828.90
Hand tools and power tool accessories	5,366.28	4,714.01
Power tool machines	1,560.97	1,312.25
Others	2,168.15	2,303.10
	47,277.81	47,899.50
Auto Components and Engineering Products		
Ring Gears	25,271.94	20,952.56
Flexplates	2,818.74	2,278.57
Water Pump Bearings	6,221.80	5,246.10
Others	151.53	194.53
	34,464.01	28,671.76
Sale of Products (A)	**81,741.82**	**76,571.26**
Sale of Services (B)	409.39	688.12
Revenue from contracts with customers (A + B)	**82,151.21**	**77,259.38**

(ii) Unsatisfied performance obligations resulting from revenue from contracts with customers

	As at March 31, 2023	As at March 31, 2022
Aggregate amount of the transaction price allocated to sale contracts that are partially or fully unsatisfied	3.96	85.18
	3.96	**85.18**

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

(iv) Reconciliation of revenue recognised with contract price:

	Year ended March 31, 2023	Year ended March 31, 2022
Contract price	**84,706.71**	**79,268.74**
Adjustments for :		
Refund liabilities - discounts, rebates, sales related schemes, incentives etc.	(2,555.50)	(2,009.36)
Total	**82,151.21**	**77,259.38**

Note 21: Other income

	Year ended March 31, 2023	Year ended March 31, 2022
Interest income		
- on financial assets at amortised cost	67.76	399.77
- on income tax / sales tax refund	24.50	1.00
- others	-	1.45
Dividend Income	0.04	0.04
Net gain on foreign exchange fluctuations	42.30	190.55
Net gain on disposal/discard of property, plant and equipment	-	444.08
Net gain on sale / fair valuation of investments	179.10	78.99
Gain on termination of lease	1.13	104.74
Miscellaneous Income	474.52	425.86
Total	**789.35**	**1,646.48**

Note 22: Cost of raw materials consumed

	Year ended March 31, 2023	Year ended March 31, 2022
Raw material at the beginning of the year	3,393.15	2,883.76
Purchases	27,358.61	26,529.74
Less : Raw material at the end of the year	2,721.13	3,393.15
Total	**28,030.63**	**26,020.35**

Note 23: Purchases of Stock-in-Trade

	Year ended March 31, 2023	Year ended March 31, 2022
Purchases of stock-in-trade	5,264.83	5,172.04
Total	5,264.83	5,172.04

Note 24: Changes in inventories of work-in-progress , finished goods and stock-in-trade

	Year ended March 31, 2023	Year ended March 31, 2022
Opening inventories		
Work-in-progress	2,929.31	2,729.93
Finished goods	5,712.34	6,117.29
Stock-in-trade	1,358.47	1,050.62
	10,000.12	**9,897.84**
Closing inventories		
Work-in-progress	2,771.96	2,929.31
Finished goods	4,741.32	5,712.34
Stock-in-trade	1,123.89	1,358.47
	8,637.17	**10,000.12**
Total	**1,362.95**	**(102.28)**

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

Note 25: Employee benefits expense

	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	9,125.74	9,001.74
Gratuity expense (Refer note 30)	232.97	229.98
Contribution to provident and other funds (Refer note 30)	493.97	580.96
Employee Stock Option Plan Expenses	42.96	44.98
Workmen and staff welfare expenses	620.57	506.39
Total	**10,516.21**	**10,364.05**

Note 26: Finance costs

	Year ended March 31, 2023	Year ended March 31, 2022
Interest on lease liabilities	149.21	167.88
Interest expense on current borrowings	86.49	151.86
Interest on shortfall of advance tax	11.00	13.02
Interest expense - Others	31.13	58.30
Exchange difference regarded as adjustment to the borrowing cost	21.59	-
Total	**299.42**	**391.06**

Note 27: Depreciation and amortization expense

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment	1,584.89	1,816.85
Depreciation on right-of-use assets	204.48	168.85
Amortization of intangible assets	0.69	7.47
Total	**1,790.06**	**1,993.17**

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

Note 28: Other Expenses

Note-28 (a): Manufacturing and Operating expenses

	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of stores and spare parts	6,369.75	6,577.20
Power and fuel	3,702.57	3,638.81
Job work charges	5,675.94	5,033.32
Payment to labour contractor	3,690.25	3,760.80
Repairs to buildings	136.62	142.05
Repairs to machinery	484.00	489.14
Other Manufacturing and Operating expenses	463.39	377.71
Total (A)	**20,522.52**	**20,019.03**

Note 28 (b): Other expenses

	Year ended March 31, 2023	Year ended March 31, 2022
Rent	221.54	200.22
Insurance	294.66	280.83
Repairs and maintenance others	111.16	91.47
Rates and taxes	58.66	31.28
Commission to selling agents	877.34	862.46
Freight and octroi	4,061.74	4,247.22
Legal and professional expenses	475.47	366.98
IT outsourced support services	188.87	184.86
Travelling and conveyance	546.03	256.84
Advertisement and Sales Promotion expenses	286.27	117.46
Directors Sitting fees & Commission	76.95	84.75
Net loss on disposal/discard of property, plant and equipment	25.81	-
Facility Charges (Refer note 40)	847.00	692.00
Net loss on foreign exchange fluctuations	133.66	-
Corporate Social Responsibility	148.00	118.00
Bad debts, deposits and advances written off	14.66	36.26
Less: Loss allowances there against	(14.66)	(36.26)
Software expenses	70.10	51.90
Security charges	219.82	287.86
Communication expenses	49.43	32.42
Printing and stationery expenses	34.92	43.09
Motor car expenses	50.90	70.23
Miscellaneous expenses	682.25	584.41
Total (B)	**9,460.58**	**8,604.28**
Total (A + B)	**29,983.10**	**28,623.31**

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 29(a): Income Taxes

Tax expense recognised in the Consolidated Statement of Profit and Loss

	Year ended March 31, 2023	Year ended March 31, 2022
Current tax		
Current year	2,430.14	2,922.12
Adjustments for prior periods	(7.04)	(15.89)
Total current tax	**2,423.10**	**2,906.23**
Deferred tax		
Decrease in deferred tax assets (net)	54.30	163.90
Increase / (decrease) in deferred tax liabilities (net)	(70.76)	49.08
Total deferred tax	**(16.46)**	**212.98**
Total income tax expense	**2,406.64**	**3,119.21**

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

Reconciliation of effective tax rate	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax	9,591.94	11,642.97
Applicable income tax rate	**25.17%**	**25.17%**
Tax Expense at applicable income tax rate	2,414.10	2,930.30
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income	40.02	32.98
Additional capital gain tax on differential amount	-	200.97
Adjustment for differential Tax inrespect of Capital Gain	(6.65)	-
Differential tax rate in respect of capital gains	-	(22.95)
Adjustments for prior periods	(7.04)	(15.89)
Capital Gain set-off against unutilised tax assets (refer below table on unrecognised carry fo	(30.23)	-
Changes in tax rate	-	-
Others	(3.56)	(6.20)
Total income tax expense	**2,406.64**	**3,119.21**

Consequent to reconciliation items shown above, the effective tax rate is 25.09% (2021-22: 26.79%)

Note 29(b): Current tax assets (net) - non-current

	As at March 23, 2023	As at March 31, 2022
Current tax assets (net of provision of Rs. 7,455.36 lakhs (March 31, 2022: Rs. 5,626.01 lakhs)	346.30	147.23
	346.30	**147.23**

Note 29(c): Current tax assets (net) - current

	As at March 23, 2023	As at March 31, 2022
Current tax assets (net of provision of Rs. Nil (March 31, 2022: Rs. 485.12)	-	118.10
	-	**118.10**

Note 29(d): Current tax liabilities (net)

	As at March 23, 2023	As at March 31, 2022
Current tax liabilities (net of taxes paid of Rs. 752.84 lakhs (March 31, 2022: Rs. 1,976.40 lakhs)	15.61	387.51
	15.61	**387.51**

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 29(e): Deferred tax

Deferred tax assets (net)

Movement during the year ended March 31, 2022 and March 31, 2023

Particulars	As at April 01, 2021	Credit/(charge) in Statement of Profit and Loss	As at March 31, 2022	Credit/(charge) in Statement of Profit and Loss	As at March 31, 2023
Deferred tax assets on account of :					
Amounts allowable for tax purpose on payment basis	92.24	10.15	102.39	(11.56)	90.83
Allowances for doubtful receivable and advances	132.08	(15.98)	116.10	(60.18)	55.92
Amount paid under voluntary retirement scheme	138.31	(136.85)	1.46	(1.46)	-
Lease Liabilities	355.02	35.63	390.65	(31.18)	359.47
Other temporary differences	57.42	(57.42)	-	-	-
	775.07	**(164.47)**	**610.60**	**(104.38)**	**506.22**
Deferred tax (liabilities) on account of:					
Property plant and equipment and intangible assets	(320.76)	50.22	(270.54)	11.93	(258.61)
Right-of-use Assets	(238.80)	(49.65)	(288.45)	38.15	(250.30)
	(559.56)	**0.57**	**(558.99)**	**50.08**	**(508.91)**
Deferred tax assets (net)	**215.51**	**(163.90)**	**51.61**	**(54.30)**	**(2.69)**

Note 29(e): Deferred tax

Deferred tax liabilities (net)

Movement during the year ended March 31, 2022 and March 31, 2023

Particulars	As at April 01, 2021	(Credit)/charge in Other Comprehensive Income	Credit/(charge) in Statement of Profit and Loss	As at March 31, 2022	(Credit)/charge in Other Comprehensive Income	Credit/(charge) in Statement of Profit and Loss	As at March 31, 2023
Deferred tax assets on account of :							
Amounts allowable for tax purpose on payment basis	182.49	-	(23.33)	159.16	(4.68)	31.73	186.21
Allowances for doubtful receivable and advances	103.77	-	(8.05)	95.72	-	39.32	135.04
Unabsorbed depreciation and unused tax losses	-	-	-	-	-	6.55	6.55
	286.26	**-**	**(31.38)**	**254.88**	**(4.68)**	**77.60**	**327.80**
Deferred tax (liabilities) on account of:							
Property plant and equipment and intangible assets	(619.76)	-	(20.90)	(640.66)	-	(6.84)	(647.50)
Financial assets at fair value through profit or loss	(3.20)	-	3.20	-	-	-	-
	(622.96)	**-**	**(17.70)**	**(640.66)**	**-**	**(6.84)**	**(647.50)**
Deferred tax liabilities (net)	**(336.70)**	**-**	**(49.08)**	**(385.78)**	**(4.68)**	**70.76**	**(319.70)**

Notes:
(i) The Group has not recognised deferred tax liability in respect of taxable temporary difference associated with its investment in the subsidiaries arising on account of the undistributed profits of the subsidiaries amounting to Rs. 11,458.74 lakhs (March 31, 2022: Rs. 7,999.70 lakhs).

During the previous year ended March 31, 2022, JK Talabot Limited had declared one off dividend by utilising 75.54 % of its cumulative earnings and which has been passed on by the Company to its parent company. As per the provisions of section 80M of the Income Tax Act, 1961, there will be no tax liability on the Company in respect of the dividend received.

During the previous year ended March 31, 2022, Ring Plus Aqua Limited had declared one off dividend by utilising 55.48 % of its cumulative earnings and basis such dividend received, its erstwhile parent Scissors Engineering Products Limited(SEPL) had also declared one off dividend by utilising 99.62 % of dividend so received to its then erstwhile parent Raymond Limited. As per the provisions of section 80M of the Income Tax Act, 1961, there will be no tax liability on the SEPL in respect of the dividend received. (Also Refer Note 48)

The Group believes that it is able to control the timing of reversal of the such taxable temporary differences arising on account of undistributed profits of the subsidiaries and it is probable that such temporary differences will not reverse in the foreseeable future.

(ii) Deferred tax on carried forward unabsorbed capital losses as detailed below has not been considered for recognition of deferred tax asset, as their is no certainty around availability of sufficient future taxable capital gains to offset such capital losses.

Assessment Year (A.Y.)	Capital Loss	Loss Carried forward for upto A.Y.
2016-17	1,039.11	2024-25
2017-18	73.61	2025-26

Note 30: Post retirement benefit plans

(i) Defined benefit plans - Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service, subject to ceiling of Rs. 20.00 lakhs. The gratuity plan is funded plan and the Group makes contributions to recognised fund in India.

The amount recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as below:

A. Balance Sheet

	Gratuity	
	As at March 31, 2023	**As at March 31, 2022**
Present value of defined benefit obligation	(3,302.73)	(3,729.77)
Fair value of plan assets	2,835.94	3,063.21
Net defined benefit obligation	**(466.79)**	**(666.56)**

B. Movements in plan assets and plan liabilities

	As at March 31, 2023			As at March 31, 2022		
	Present value of obligation	**Fair value of plan assets**	**Net**	**Present value of obligation**	**Fair value of plan assets**	**Net**
As at beginning of the year	**(3,729.77)**	**3063.21**	(666.56)	**(3,394.64)**	**2680.89**	**(713.75)**
Current service cost (including past service cost)	(185.08)	-	(185.08)	(177.64)	-	**(177.64)**
Interest (cost) / income	(261.20)	215.02	(46.18)	(229.09)	181.69	**(47.40)**
Remeasurements:						
Return on plan assets excluding actual return on plan asset	-	(36.79)	(36.79)	-	13.70	**13.70**
Gain/(loss) arising from changes in demographic assumptions	-	-	-	(0.63)	-	**(0.63)**
Gain/(loss) arising from changes in financial assumptions	91.91	-	91.91	1.97	-	**1.97**
Gain/(loss) arising from experience adjustments	13.52	-	13.52	(116.30)	-	**(116.30)**
Employer contributions	-	360.60	360.60	-	378.43	**378.43**
Benefit payments	764.39	(764.39)	-	186.56	(186.56)	**-**
Benefit paid directly by the Employer	3.50	-	3.50	-	-	**-**
	(3,302.73)	**2,837.65**	**(465.08)**	**(3,729.77)**	**3,068.15**	**(661.62)**
Plan Assets - Not Recognised *	**-**	(1.71)	**(1.71)**	**-**	(4.94)	**(4.94)**
As at end of the year	**(3,302.73)**	**2,835.94**	**(466.79)**	**(3,729.77)**	**3,063.21**	**(666.56)**

*During the previous year, surplus of assets over liabilities in JK Talabot Limited ('subsidiary company) of Rs. 4.94 lakhs netted above has not been recognised on the basis that future economic benefits are not available to the subsidiary company in the form of a reduction in future contributions or cash refunds.

The present value of obligation at each balance sheet date above relates to active employees.

C. The Group expects to contribute Rs. 265.49 lakhs to the funded plans in financial year 2023-24 (2022-23: Rs. 327.90 lakhs) for gratuity

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

D. Statement of Profit and Loss

	Year ended March 31, 2023	Year ended March 31, 2022
Employee Benefit Expenses:		
Current service cost (including past service cost)	185.08	177.64
	185.08	**177.64**
Interest Cost (net of interest earned)	46.18	47.40
Surplus of assets over liabilities in subsidiary company not recognised	1.71	4.94
Net impact on the Profit before tax	**232.97**	**229.98**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding actual return on plan asset	(36.79)	13.70
Gains/(losses) arising from changes in demographic	-	(0.63)
Gains/(losses) arising from changes in financial assumptions	91.91	1.97
Gains/(losses) arising from experience adjustments	13.52	(116.30)
Net impact on the Other Comprehensive Income before tax	**68.64**	**(101.26)**

E. Assets

	As at March 31, 2023	As at March 31, 2022
Insurer managed fund	2,837.65	3,068.15
Total	**2,837.65**	**3,068.15**

F. Significant Estimate: Actuarial assumptions

	As at March 31, 2023	As at March 31, 2022
Financial assumptions		
Discount rate	7.44% ~ 7.50%	6.98% ~ 7.35%
Salary growth rate	7.50%	6.50% ~ 7.5%
Attrition rate - with respect to Ring Plus Aqua Limited	For Workers 2% For Staff 15%, 10% & 5%	For Workers 2% For Staff 15%, 10% & 5%
Attrition rate - with respect to other entities of group	2.00%	2.00%
Return on plan assets	7.44% ~ 7.50%	6.98% ~ 7.35%

Demographic assumptions
Mortality in Service : Indian Assured Lives Mortality 2012-14 (Urban) Table

G. Significant Estimate: Sensitivity of actuarial assumptions

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions is:

		As at March 31, 2023		As at March 31, 2022	
	Change in assumption	Increase in assumption having an impact on present value of plan obligation	Decrease in assumption having an impact on present value of plan obligation	Increase in assumption having an impact on present value of plan obligation	Decrease in assumption having an impact on present value of plan obligation
Discount rate	1%	(207.62)	237.06	(244.92)	279.59
Salary growth rate	1%	231.06	(207.53)	271.96	(243.59)
Attrition rate	1%	(1.36)	1.43	(7.75)	8.55

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

The weighted average duration of the defined benefit obligation is 7 to 20 years (31 March, 2022 : 8 to 20 years).

H. The defined benefit obligations shall mature after year end March 31, 2023 and March 31, 2022 as follows:

	Defined benefit obligation	
Gratuity :	**As at March 31, 2023**	**As at March 31, 2022**
1st year	264.03	333.99
2nd year	248.26	202.84
3rd year	335.16	327.77
4th year	411.42	356.66
5th year	355.21	406.72
Thereafter	4,002.71	4,564.19

Risk Exposure

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset volatility Risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. These are subject to interest rate risk and the fund manages interest rate risk to an acceptable level.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(ii) Defined contribution plans :

The Group also has certain defined contribution plans. Contributions are made to provident fund, employees state insurance scheme for employees .The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the Year towards defined contribution plan is Rs. 493.97 lakhs (March 31,2022 - Rs.580.96 lakhs).

(iii) Compensated absences:

The leave obligations cover the Group's liability for sick and earned leave, which are classified as other long term benefits and which are actuarially valued at each year end by applying the assumptions referred in '(i)(F)' above.

The entire amount of the provision of Rs. 533.11 lakhs (March 31,2022- Rs. 579.50 lakhs) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations.

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

Note 31: Social security code

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 32: Earnings per share

		Year ended March 31, 2023	Year ended March 31, 2022
Basic earnings per share has been computed as under:			
Profit for the year attributable to owners of the parent	A	6,760.91	8,091.68
Weighted average number of equity shares outstanding (in nos.)		52,443,948	52,443,948
Weighted average number of equity shares for basic EPS	B	52,443,948	52,443,948
Earnings per share (Rs.)	A/B	12.89	15.43
Diluted earnings per share has been computed as under:			
Profit for the year attributable owners of the parent	C	6,760.91	8,091.68
Weighted average number of equity shares outstanding for basic EPS (in nos.)		52,443,948	52,443,948
Add: Dilutive potential equity share (Refer Note 12)		-	944,275
Add: Dilutive impact of sub-division of potential equity shares (Refer Note 46)		-	3,777,100
Weighted average number of equity shares for dilutive EPS	D	52,443,948	57,165,323
Dilutive Earnings Per Share (Rs.)	C/D	12.89	14.15
Nominal value per equity share (in Rs.) (Refer Note 46)		2.00	2.00

Note 33: Assets pledged as security

The carrying amounts of assets pledged as security are:

	As at March 31, 2023	As at March 31, 2022
Current assets		
Floating Charge		
Trade receivables	11,419.25	8,802.84
Inventories	11,959.20	14,088.81
Cash and cash equivalents	170.55	245.49
Other financial asset	705.38	837.47
Other current assets	1,479.10	1,714.74
Total assets pledged as security	**25,733.48**	**25,689.35**

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

Note 34: Contingent liabilities

	As at March 31, 2023	As at March 31, 2022
Contingent Liabilities		
(i) Claims against the Group not acknowledged as debts in respect of:		
Income tax matters	116.95	116.95
Sales tax matters	24.07	238.11
Excise and service tax matters	26.38	26.38
Other matters *	130.05	130.05

* Amount pertains to various labour related matters.

(ii)The Supreme Court of India, through a ruling in February 2019, provided guidelines for interpreting the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. There is significant uncertainty and ambiguity in interpreting and giving effect to the guidelines of Supreme Court. The Group believes that there will be no significant impact on its contributions to Provident Fund due to the Supreme Court Order. The Group will evaluate its position and act as clarity emerges on impact of the ruling.

The amount shown in respect of above items represent the best possible estimates arrived at on basis of available information. The timing of cash flows will be determinable only on receipt of judgement / decisions pending with various forums / authorities.

The Group does not expect any reimbursements in respect of the above contingent liabilities.

Note 35: Commitments

Capital Commitments

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

	As at March 31, 2023	As at March 31, 2022
Property, plant and equipment (net of capital advances)	**635.17**	**1,077.17**

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

Note 36: Fair Value measurements

Financial instruments by category

	As at March 31, 2023		As at March 31, 2022	
	FVPL	**Amortised Cost**	**FVPL**	**Amortised Cost**
Financial Assets				
Investments	7,492.75	-	2,266.00	-
Derivative financial instruments	3.04		25.14	-
Other Financial Assets	-	1,160.59	-	1,038.12
Trade receivable	-	11,419.24	-	8,802.84
Cash and Cash equivalents	-	1,036.20	-	807.88
Bank Balance other than above	-	18.50	-	3.78
	7,495.79	**13,634.53**	**2,291.14**	**10,652.62**
Financial Liabilities				
Borrowings	-	1,454.87	-	1,752.09
Derivative financial instruments	76.04	-	0.98	-
Other Financial Liabilities	-	2,632.20	-	2,962.04
Trade Payables	-	11,886.48	-	10,421.05
	76.04	**15,973.55**	**0.98**	**15,135.18**

Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements	As at March 31, 2023			As at March 31, 2022		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial Assets						
Investments	7,484.14	-	8.61	2,257.39	-	8.61
Derivative financial instruments	-	3.04	-	-	25.14	-
Total financial assets	**7,484.14**	**3.04**	**8.61**	**2,257.39**	**25.14**	**8.61**
Financial Liabilities						
Derivative financial instruments	-	76.04	-	-	0.98	-
Total financial liabilities	**-**	**76.04**	**-**	**-**	**0.98**	**-**

Financial Instruments by category

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:
1. Fair value of trade receivables, cash and cash equivalent, other bank balances, other current financial asset (other than derivative), trade payable and other current financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

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

3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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

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

Valuation Technique used to determine fair value
- the use of NAV declared by the fund for investment in mutual funds
- the fair value of forward exchange contracts is determined using forward exchange rates at the reporting date.

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

Note 37: Financial risk management

The Group's activities expose it to credit risk, liquidity risk and market risk. The Group's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The Group financial risk management is set by the Working Board comprising of CEO, CFO and various head of departments. The policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls are monitored by higher authorities and approved by senior management. This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the related impact in the financial statements.

A) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Group has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Group ensures optimization of cash through fund planning and robust cash management practices.

a) Interest rate risk

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

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting year was outstanding for the whole year.

Exposure to interest rate risk

Particulars	As at March 31, 2023	As at March 31, 2022
Total borrowings (non-current and current)	1,454.87	1,752.09
% of Borrowings bearing variable rate of interest	50%	91%

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

	Year ended March 31, 2023	Year ended March 31, 2022
50 bp increase would decrease the profit before tax by	3.65	7.94
50 bp decrease would Increase the profit before tax by	(3.65)	(7.94)

b) Foreign Currency risk

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

Foreign Currency Exposure as at the reporting date

	As at March 31, 2023								
Particulars	**USD (in Mn.)**	**In Rs**	**EUR (in Mn.)**	**In Rs**	**GBP (in Mn.)**	**In Rs**	**YEN (in Mn.)**	**In Rs.**	**Total (In Rs.)**
Trade Receivable	4.59	3,773.00	3.35	3,019.32	0.01	10.14	-	-	6,802.46
Offset by Derivatives : Foreign Exchange Forwards Contracts	(2.31)	(1,903.90)	(2.09)	(1,764.57)	-	-	-	-	(3,668.47)
Net exposure (To the extent of outstanding balance)	**2.28**	**1,869.10**	**1.26**	**1,254.75**	**0.01**	**10.14**	**-**	**-**	**3,133.99**
Trade Payable	0.31	254.77	0.01	7.20	-	-	-	-	261.97
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-	-	-
Net exposure (To the extent of outstanding balance)	**0.31**	**254.77**	**0.01**	**7.20**	**-**	**-**	**-**	**-**	**261.97**
Buyers Credit	-	-	4.02	361.92	-	-	58.00	358.96	720.88
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-	-	-
Net exposure (To the extent of outstanding balance)	**-**	**-**	**4.02**	**361.92**	**-**	**-**	**-**	**-**	**720.88**

Particulars	As at March 31, 2022						
	USD (in Mn.)	In Rs	EUR (in Mn.)	In Rs	GBP (in Mn.)	In Rs	Total (In Rs.)
Trade Receivable	4.22	3,197.60	2.70	2,294.67	0.01	8.96	5,501.23
Offset by Derivatives : Foreign Exchange Forwards Contracts	(2.29)	(1,744.96)	(0.93)	(792.11)	-	-	(2,537.07)
Net exposure (To the extent of outstanding balance)	**1.93**	**1,452.64**	**1.77**	**1,502.56**	**0.01**	**8.96**	**2,964.16**
Trade Payable	0.27	207.36	-	-	-	-	207.36
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net exposure (To the extent of outstanding balance)	**0.27**	**207.36**	**-**	**-**	**-**	**-**	**207.36**
Packing Credit in Foreign Currency	0.74	561.94	-	-	-	-	561.94
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net exposure (To the extent of outstanding balance)	**0.74**	**561.94**	**-**	**-**	**-**	**-**	**561.94**
Buyers Credit	-	-	0.18	154.93	-	-	154.93
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net exposure (To the extent of outstanding balance)	**-**	**-**	**0.18**	**154.93**	**-**	**-**	**154.93**

Note: Transaction in other foreign currencies below rounding off norms adopted by the Group are not reported above.

Derivative outstanding as at the reporting date

(Foreign Currency in million)

Foreign currency	As at March 31, 2023		As at March 31, 2022	
	Sell	Buy	Sell	Buy
Forward Contracts USD	2.31	-	2.29	0.27
Forward Contracts EURO	2.09	-	0.93	-

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

Foreign Currency Risk Sensitivity

A change of 5% in foreign currency would have following impact on profit before tax

	Year ended March 31, 2023		Year ended March 31, 2022	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	175.91	(175.91)	121.42	(121.42)
EURO	132.51	(132.51)	122.48	(122.48)
GBP	0.51	(0.51)	0.45	(0.45)
YEN	(17.95)	17.95	-	-
Increase/Decrease in Profit or Loss	290.98	(290.98)	244.34	(244.34)

c) Price risk
Exposure

Security price risk is the risk that the fair value of a financial instrument will fluctuate due to change in market traded prices. The Company invests its surplus funds primarily in liquid schemes of mutual funds (debt instruments) which are categorised as low risk products from liquidity and interest rate perspectives. The carrying amount of the Group's investments are designated as at fair value through profit or loss at the end of the reporting period.

Sensitivity
The sensitivity analysis below is presented with reference to changes in NAV of these securities:-

	Year ended March 31, 2023	Year ended March 31, 2022
NAV - Increases by 1% *	74.84	22.57
NAV - Decreases by 1% *	(74.84)	(22.57)

* Holding all other variables constant

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

B) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group.
The Group is exposed to credit risk from its operating activities (primarily trade receivables) , security deposit and from its investing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalent and other bank balances
Credit risk related to cash and cash equivalents is managed by accepting highly rated banks. Management does not expect any losses from non-performance by these counterparties.

Other financial assets measured at amortized cost
Other financial assets measured at amortized cost includes bank deposits, loans and other receivables. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. The expected credit loss on these financial instruments is expected to be insignificant.

Trade and other receivables
The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates have been computed based on ageing

i) Movement in allowances for expected credit losses on trade receivables

	As at March 31, 2023	As at March 31, 2022
As at beginning of the year	604.96	711.18
Less:- Write back of Loss Allowances	(205.51)	(69.96)
Less:- Allowances utilised against bad debts (Refer Note 28(b))	-	(36.26)
As at end of the year	399.45	604.96

Ageing	Expected credit loss % As at March 31, 2023	Expected credit loss % As at March 31, 2022
Not Due	0%	0%
0-90 days	0%	0%
91-180 days	0%	0%
181-270 days	100%	100%
271-360 days	100%	100%
more than 360 days	100%	100%

ii) Movement in allowances for other receivables

	As at March 31, 2023	As at March 31, 2022
As at beginning of the year	83.72	83.72
Add:- Loss Allowances	(33.60)	-
As at end of the year	50.12	83.72

Ageing	Expected credit loss % As at March 31, 2023	Expected credit loss % As at March 31, 2022
Not Due	0%	0%
0-90 days	0%	0%
91-180 days	0%	0%
181-270 days	0%	0%
271-360 days	0%	0%
more than 360 days	100%	100%

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

C) Liquidity risk

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

(i) Financing arrangements
The Group had access to following undrawn Borrowing facilities at end of reporting period:

	As at March 31, 2023	As at March 31, 2022
Variable rate borrowing - cash credit (expires within 1 year)	11,550.40	7,957.15

The cash credit facilities may be drawn at any time and be terminated by bank without notice. Subject to satisfactory credit ratings, these facilities may be drawn at any time in INR.

Maturities of financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	As at March 31, 2023				
	On demand	**Less than 1 year**	**1-5 years**	**More than 5 years**	**Total**
Long term borrowings (Including current maturity of long term borrowing)	-	-	-	-	-
Current borrowings (including Interest Accrued) *	1,461.60	-	-	-	1,461.60
Trade payable #	-	11,886.48	-	-	11,886.48
Lease liabilities	-	324.37	1,533.82	46.63	1,904.82
Deposits from dealers, agents etc.	507.37	50.00	-	-	557.37
Other financial liabilities (excluding Interest, Deposits from dealers, agents etc.)	3.44	2,140.70	-	-	2,144.14
Total	**1,972.41**	**14,401.55**	**1,533.82**	**46.63**	**17,954.41**

	As at March 31, 2022				
	On demand	**Less than 1 year**	**1-5 years**	**More than 5 years**	**Total**
Long term borrowings (Including current maturity of long term borrowing)	-	9.69	-	-	9.69
Current borrowings (including Interest Accrued) *	1,745.24	-	-	-	1,745.24
Trade payable #	-	10,421.05	-	-	10,421.05
Lease liabilities	-	311.62	1,660.94	243.87	2,216.43
Deposits from dealers, agents etc.	541.33	50.00	-		591.33
Other financial liabilities (excluding Interest, Deposits from dealers, agents etc.)	3.44	2,365.41	-	-	2,368.85
Total	**2,290.01**	**13,157.77**	**1,660.94**	**243.87**	**17,352.59**

*does not include interest payable in future periods, since they are repayable on demand and contractual payment to be made in respect of interest is not accurately determinable considering balance vary based on the fund requirements of the Group.
The amounts are payable over a period of 30-90 days as per the credit period with respective vendors.

Note 38: Capital risk management

(a) The Group aims to manage its capital efficiency to safeguard its ability to continue as going concern and optimise return to the shareholders.

The capital structure of the Group is based on management judgement of the appropriate balance of key element in order to meet its strategic and day to day needs. The management considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and risk characteristics of the underlying asset. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares.

The Group's policy is to maintain a stable and strong capital structure with focus on total equity so as to maintain stakeholder confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Group's management monitors the return on capital as well as the level of dividends to shareholders.

The Group monitors the gearing ratio to evaluate debt leveraging and to ensure debts are maintained at the acceptable level.

The gearing ratio were as follows:

	As at March 31, 2023	As at March 31, 2022
Net Debt *	1,853.49	2,499.04
Total Equity	30,171.84	22,892.22
Net Debt to total equity	**6.14%**	**10.92%**

* Includes borrowings, lease liabilities, interest accrued thereon which is compensated by cash and cash equivalents and current investments.

(b) Dividend

During the previous year, the Group had declared interim dividend for the financial year 2021-22 of Rs. 4 each (face value Rs. 2 per share) amounting to Rs. 2,097.76 lakhs which was approved by the Board of Directors of Company in its meeting held on October 25, 2021.

Scissors Engineering Products Limited (SEPL) declared interim dividend for the financial year 2021-22 of Rs. 35.30 each amounting to Rs. 6,400.37 lakhs to its erstwhile parent Raymond Limited, which was approved by SEPL's Board of Directors in its meeting held on October 25, 2021. (Refer Note 48)

Note 39: Redemption Of 9% Non-Cumulative Convertible Preference Shares (“9% NCCPS”)

During the previous year, pursuant to the approval of the Board of Directors in their meeting held on September 27, 2021, the Company exercised its option and redeemed NCCPS on October 06, 2021.

Note 40: Related parties disclosures as per Ind AS 24

1. **<u>Name of the Related Parties :</u>**

Related parties where control exists, irrespective of whether transaction has occurred or not:

(a) **Holding Company**
Raymond Limited, India

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

(b) **Fellow Subsidiary Companies**
Raymond (Europe) Limited, United Kingdom
Raymond Apparel Limited, India (merged with Raymond Limited w.e.f. April 1, 2021)
Raymond Luxury Cotton Limited, India

(c) **Entities over which parent exercises significant influence**
PT. Jaykay Files Indonesia, Indonesia
PT. Jaykay International Indonesia, Indonesia
Raymond Consumer Care Limited, India
Ray Global Consumer Trading Limited, India
Raymond UCO Denim Private Limited, India

(d) **Entities having significant influence over parent**
JK Investors (Bombay) Limited

Other related parties:

(e) **Key Management Personnel :**
Whole time Director : Balasubramanian Vishwanathan (w.e.f. November 17, 2021)
Independent Director : Satish Sekhri (w.e.f. November 17, 2021)
Independent Director : Vijay Bhatt (w.e.f. November 17, 2021)
Non Executive Director : Rashmi Brijgopal Mundada
Non Executive Director : Ravikant Uppal
Non Executive Director : Balasubramanian Vishwanathan (till November 16, 2021)
Non Executive Director : Ganesh Kumar Subramanian (till November 16, 2021)
Non Executive Director : Gautamhari Singhania (w.e.f. November 17, 2021)
Non Executive Director : Krishnan Ashwath Narayan (till November 17, 2021)

(f) **Trust**
JK Files (India) Limited - Employees Gratuity Scheme
JK Talabot Limited - Employees Gratuity Scheme
Ring Plus Aqua Limited - Employee Gratuity Scheme

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note--2. Transactions carried out with related parties referred in 1, in ordinary course of business :

Nature of transactions	Related Parties											
	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above		Referred in 1(e) above		Referred in 1(f) above	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Purchases :												
Goods and Materials	-	1.81	-	-	-	-	-	-	-	-	-	-
Other Income :												
Interest Income on Inter-company loan	-	-	-	318.05	0.09	42.72	-	-	-	-	-	-
Expenses :												
Employee Benefits Expenses												
(Managerial remuneration)	-	-	-	-	-	-	-	-	459.67	361.34	-	-
Other Expenses												
Rent expenses	158.23	158.23	-	-	-	-	-	-	-	-	-	-
Facility Charges	847.00	692.00	-	-	-	-	-	-	-		-	-
Legal and Professional Expenses	-	-	-	-	-	-	-	-	32.00	16.00	-	-
Directors sitting fees and commission	-	-	-	-	-	-	-	-	48.50	47.75	-	-
Sales Promotion expenses	-	-	-	-	-	0.30	-	-	-		-	-
<u>**Reimbursement of Expenses**</u>												
Salaries, wages, bonus, etc	0.85	0.81	-	-	-	-	-	-	-	-	-	-
Workmen and Staff welfare expenses	2.15	2.43	-	-	-	-	-	-	-	-	-	-
Electricity charges	57.25	36.56	-	-	-	-	-	-	-	-	-	-
Legal and Professional Expenses	43.66	36.64	-	-	-	-	-	-	-	-	-	-
Insurance	2.80	2.48	-	-	-	-	-	-	-	-	-	-
Miscellaneous expenses	158.68	104.27	-	-	-	-	-	35.20	-		-	-
Contribution to Employees Gratuity fund	-	-	-	-	-	-	-	-	-	-	360.60	326.44
Other Receipts :												
Reimbursement of expenses	837.85	724.15	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses(IPO)	-	802.56	-	-	-	-	-	-	-	-	-	-
Loans given :												
Inter Corporate loan Given	-	-	-	1,100.00	-	-	-	-	-	-	-	-
Inter Corporate loan repayment received	-	-	-	9,300.00	-	1,010.00	-	-	-	-	-	-
Redemption of instruments entirely in the nature of Equity	-	2,200.00	-	-	-	-	-	-	-	-	-	-
Dividend Paid	-	8,498.13	-	-	-	-	-	461.43	-	-	-	-
Sale of Property, Plant and Equipment	-	-	-	-	-	-	-	970.87	-	-	-	-

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

Note--2. Transactions carried out with related parties referred in 1 above, in ordinary course of business :

Nature of transactions	Related Parties							
	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Outstandings :								
Trade payable	1.01	26.79	16.15	16.15	-	-	24.00	24.00
Other current financial liabilities								
- Other Payable	73.93	58.32	-	-	-	-	-	-
Trade receivable *	-	-	-	-	13.93	240.88	-	-
Other financial assets								
- Receivable from Related Parties	650.52	802.56	-	-	50.12	83.72	-	-

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended March 31, 2023	Year ended March 31, 2022
Purchases :		
Goods and Material		
Raymond Limited	-	1.81
Other Income :		
Interest Income on Inter-company loan		
Raymond Apparel Limited	-	304.98
Raymond Luxury Cotton Limited	-	13.07
Raymond UCO Denim Private Limited	-	41.92
Ray Global Consumer Trading Limited	0.09	0.80
Miscellaneous Income		
JK Investors (Bombay) Ltd	-	19.22
Expenses :		
Employee benefits expenses		
Short term employee benefits		
Balasubramanian Vishwanathan	222.56	196.46
Post employment benefits		
Balasubramanian Vishwanathan	7.13	6.60
Other Expenses		
Rent expenses		
Raymond Limited	158.23	158.23
Facility charges		
Raymond Limited	847.00	692.00
Director sitting fees		
Gautamhari Singhania	1.00	2.00
Rashmi Mundada Brijgopal	4.50	4.25
Ravikant Uppal	5.50	7.50
Satish Sekhri	7.00	5.00
Vijay Bhatt	6.50	5.00
Director commission		
Mrs. Rashmi Mundada Brijgopal	4.00	4.00
Mr. Ravikant Uppal	8.00	8.00
Mr. Gautam Hari Singhania	4.00	4.00
Mr. Satish Sekhri	4.00	4.00
Mr. Vijay Bhatt	4.00	4.00
Legal and professional expenses		
Ravikant Uppal	32.00	16.00

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Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended March 31, 2023	Year ended March 31, 2022
<u>**Reimbursement of Expenses**</u>		
Salaries, wages, bonus, etc		
Raymond Limited	0.85	0.81
Workmen and Staff welfare expenses		
Raymond Limited	2.15	2.43
Electricity charges		
Raymond Limited	57.25	36.56
Legal and professional expenses		
Raymond Limited	43.66	36.64
Sales Promotion expenses		
J K Helene Curtis Limited	-	0.30
Insurance		
Raymond Ltd	2.80	2.48
Miscellaneous expenses		
Raymond Limited	158.68	104.27
JK Investors (Bombay) Ltd	-	35.20
Paid to trust - Employees gratuity fund	360.60	326.44
Other Receipts :		
Reimbursement of expenses		
Raymond Limited	837.85	724.15
Reimbursement of expenses(IPO)		
Raymond Limited	-	802.56
Loans given:		
Inter Corporate loan Given		
Raymond Apparel Limited	-	1,100.00
Inter Corporate loan repayment received		
Raymond Apparel Limited	-	7,300.00
Raymond UCO Denim Private Limited	-	1,000.00
Raymond Luxury Cotton Limited	-	2,000.00
Ray Global Consumer Trading Limited	-	10.00

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Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended March 31, 2023	Year ended March 31, 2022
Redemption of instruments entirely in the nature of Equity		
Raymond Limited	-	2,200.00
Dividend Paid		
Raymond Limited	-	8,498.13
JK Investors (Bombay) Ltd	-	461.43
Sale of Property, Plant and Equipement:		
JK Investors (Bombay) Ltd	-	970.87

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Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above, in ordinary course of business :

Outstandings :	As at March 31, 2023	As at March 31, 2022
Trade payable		
Raymond Limited	1.01	26.79
Raymond Europe Limited	16.15	16.15
Mrs. Rashmi Mundada Brijgopal	4.00	4.00
Mr. Ravikant Uppal	8.00	8.00
Mr. Gautam Hari Singhania	4.00	4.00
Mr. Satish Sekhri	4.00	4.00
Mr. Vijay Bhatt	4.00	4.00
Trade receivable		
P T Jaykay International Indonesia*	13.93	240.88
Other financial liabilities		
Raymond Limited	73.93	58.32
Other financial assets		
- Interest Accrued		
Ray Global Consumer Trading Limited	-	0.09
- Receivable towards IPO expense		
Raymond Limited	650.52	802.56
- Receivable from Related Parties		
P T Jaykay Files Indonesia*	50.12	83.72

* The total receivable from PT JayKay Files and PT JayKay International, Indonesia has been provided.

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables		
P T Jaykay International Indonesia	13.93	240.88
Other Financial Assets		
P T Jaykay Files Indonesia	50.12	83.72

Inter-company loan receivable were provided to group companies to meet their working capital requirements.
Transactions were done in ordinary course of business and on normal terms and conditions.

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

Note 41: Segment Information

A. Operating Segments:

The board of directors of the Group has appointed a Managing Director which assesses the position and group's financial performance from a product and geographic perspective.
(i) Tools and hardware - The tools and hardware business operates five manufacturing facilities in India with two located at Chiplun and one at Ratnagiri in Maharashtra, one in Pithampur in Madhya Pradesh(till September 16, 2022) and Vapi in Gujarat, which are primarily involved in the manufacturing of files and drills.
(ii) Auto Components and Engineering Products - The Auto Components and Engineering Products business operates in three facilities for manufacturing of ring gears, flexplates and water pump bearings located in the industrial belt of Nashik, Maharashtra.

The Managing Director uses the following measure to assess the performance of the operating segments.
Segment revenue and results:
The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

Segment assets and Liabilities:
Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, inventories and other operating assets. Segment liabilities primarily include trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segments are shown as unallocable assets / liabilities.

Inter segment transfer:
Inter segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

(a) Summary of segment Information is as follows:

Particular	As at March 31, 2023				As at March 31, 2022			
	Tools & Hardware	Auto Components and Engineering Products	Elimination	Total	Tools & Hardware	Auto Components and Engineering Products	Elimination	Total
Segment Revenue								
External Revenue	48,927.15	37,480.74	-	**86,407.89**	49,999.16	31,201.85	-	**81,201.01**
Inter-Segment Revenue	4.85		(4.85)	-	6.79		(6.79)	-
Total Revenue	**48,932.00**	**37,480.74**	**(4.85)**	**86,407.89**	**50,005.95**	**31,201.85**	**(6.79)**	**81,201.01**
Segment Result	**4,706.17**	**5,362.58**	**-**	**10,068.75**	**5,269.03**	**4,929.16**	**-**	**10,198.19**
Add / (Less):								
Unallocated income/(expenses) (Net)				270.60				481.12
Finance Cost (Excluding Interest on Leases)				(150.21)				(223.18)
Add / (Less) : Exceptional items				(597.21)				1,186.83
Tax expense				(2,406.64)				(3,119.21)
Net Profit				**7,185.29**				**8,523.75**
Other Information:								
Segment Assets	20,357.44	21,250.23	(45.82)	41,561.85	21,911.99	18,524.44	(1.23)	40,435.20
Unallocated assets				8,894.39				3,276.50
Total Assets	**20,357.44**	**21,250.23**	**(45.82)**	**50,456.24**	**21,911.99**	**18,524.44**	**(1.23)**	**43,711.70**
Segment Liabilities	9,687.31	8,849.45	(45.82)	18,490.94	10,569.05	7,726.35	(1.23)	18,294.17
Borrowings				1,454.87				1,752.09
Other unallocated liabilities				338.65				773.28
Total Liabilities	**9,687.31**	**8,849.45**	**(45.82)**	**20,284.46**	**10,569.05**	**7,726.35**	**(1.23)**	**20,819.54**
Capital Expenditure								
Segment capital expenditure	1,202.59	2,317.70	-	**3,520.29**	445.75	1,128.70	-	**1,574.45**
Depreciation and Amortisation:								
Segment depreciation and amortisation	830.79	959.27	-	**1,790.06**	916.41	1,076.76	-	**1,993.17**

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

Revenue from contract with customers *

	Year ended March 31, 2023	Year ended March 31, 2022
India	38,180.50	32,385.52
Africa	7,620.04	6,967.14
America	16,556.48	18,858.89
Asia (excluding India)	6,933.63	7,179.90
Europe	12,833.72	11,826.11
Australia	26.84	41.82
Total	**82,151.21**	**77,259.38**

Non-current asset**

	As on March 31, 2023	As on March 31, 2022
India	15,266.78	14,207.98
Africa	-	-
America	-	-
Asia (excluding India)	-	-
Australia	-	-
Total	**15,266.78**	**14,207.98**

* Based on location of customer
** Excluding financial asset and current tax assets, deferred tax assets

(b) Considering the nature of business of the Group in which it operates, the Group deals with various customers including multiple geographies. Consequently, none of the customers contribute materially to the revenue of the Group.

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

Note 42: Interests in other entities

The Consolidated Financial Statements present the consolidated accounts of the Group with its following Subsidiaries:

A. Subsidiary

The details of the Group's subsidiaries are set out below. Its share capital consists solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name	Country of Incorporation / Principal activities	As on March 31, 2023	As on March 31, 2022
Subsidiary :			
JK Talabot Limited (JKTL)	India / Engineering, tools and related component		
- Ownership interest held by the Group		90.00%	90.00%
- Ownership interest held by non-controlling interests		10.00%	10.00%
Scissors Engineering Products Limited (SEPL)	India / Engineering, tools and related component		
- Ownership interest held by the Group		100.00%	100.00%
- Ownership interest held by non-controlling interests		0.00%	0.00%
Ring Plus Aqua Limited (RPAL)	India / Engineering, tools and related component		
- Ownership interest held by the Group		89.07%	89.07%
- Ownership interest held by non-controlling interests		10.93%	10.93%

B. Non-controlling interests (NCI)

Set out below is summarised financial information for subsidiary's non-controlling interests. The amounts disclosed for subsidiary are before Inter-company eliminations.

Summarised balance sheet	As on March 31, 2023			As on March 31, 2022		
	JKTL	RPAL	Total	JKTL	RPAL	Total
Current assets	979.70	16,836.40	17,816.10	1,090.52	13,017.65	14,108.17
Current liabilities	352.17	9,583.57	9,935.74	444.38	8,649.61	9,093.99
Net current assets	**627.53**	**7,252.83**	**7,880.36**	**646.14**	**4,368.04**	**5,014.18**
Non-current assets	714.00	9,261.36	9,975.36	717.46	8,254.96	8,972.42
Non-current liabilities	-	320.35	320.35	5.06	380.72	385.78
Net non-current assets	**714.00**	**8,941.01**	**9,655.01**	**712.40**	**7,874.24**	**8,586.64**
Net assets	**1,341.53**	**16,193.84**	**17,535.37**	**1,358.54**	**12,242.28**	**13,600.82**
Accumulated NCI	**134.15**	**1,769.97**	**1,904.12**	**135.85**	**1,338.06**	**1,473.91**

Summarised statement of profit and loss	Year ended March 31, 2023			Year ended March 31, 2022		
	JKTL	RPAL	Total	JKTL	RPAL	Total
Revenue	3,080.88	37,480.74	40,561.62	2,856.31	31,201.85	34,058.16
Profit for the year	(30.91)	3,911.05	3,880.14	88.03	3,872.69	3,960.72
Other comprehensive income / (loss)	13.90	(2.45)	11.45	21.99	39.55	61.54
Total comprehensive income	**(17.01)**	**3,908.60**	**3,891.59**	**110.02**	**3,912.24**	**4,022.26**
Profit allocated to NCI	(3.09)	427.48	424.39	8.80	423.28	432.08
Other comprehensive income / (loss) allocated to NCI	1.39	(0.27)	1.12	2.20	4.32	6.52
Total comprehensive income allocated to NCI	**(1.70)**	**427.21**	**425.51**	**11.00**	**427.60**	**438.60**
Dividends paid to NCI	-	-	-	144.98	788.46	933.44

Summarised cash flows	Year ended March 31, 2023			Year ended March 31, 2022		
	JKTL	RPAL	Total	JKTL	RPAL	Total
Cash flows from operating activities	3.16	4,087.16	4,090.32	(21.31)	3,887.68	3,866.37
Cash flows from investing activities	(47.77)	(3,513.61)	(3,561.38)	1,489.25	3,805.08	5,294.33
Cash flows from financing activities	(0.20)	(208.38)	(208.58)	(1,450.02)	(7,391.37)	(8,841.39)
Net increase/ (decrease) in cash and cash equivalents	**(44.81)**	**365.17**	**320.36**	**17.92**	**301.39**	**319.31**

C. There are no transactions with NCI during the year covered under Consolidated Financial Statements.

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

Note 43: Disclosures mandated by Schedule III of Companies Act 2013, by way of additional information, refer below :

Name of Entities	2022-23							
	Net Assets i.e. total assets minus total liabilities		Share in profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated net profit	Amount	As a % of consolidated Other Comprehensive Income	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent:								
JK Files & Engineering Limited	53.63%	16,181.32	46.10%	3,312.11	77.71%	39.91	46.32%	3,352.02
Subsidiary:								
JK Talabot Limited (Group's Share)	4.00%	1,207.38	-0.39%	(27.82)	24.36%	12.51	-0.21%	(15.31)
Scissors Engineering Products Limited (Group's Share)	0.06%	18.15	-0.10%	(6.95)	0.00%	-	-0.10%	(6.95)
Ring Plus Aqua Limited (Group's Share)	47.81%	14,423.87	48.48%	3,483.57	-4.24%	(2.18)	48.11%	3,481.39
Non Controlling Interest of JK Talabot Limited	0.44%	134.15	-0.04%	(3.09)	2.71%	1.39	-0.02%	(1.70)
Non Controlling Interest of Ring Plus Aqua Limited	5.87%	1,769.97	5.95%	427.48	-0.53%	(0.27)	5.90%	427.21
Inter-company Elimination & Consolidation Adjustments	-11.81%	(3,563.00)	0.00%	-	0.00%	-	0.00%	-
Grand Total		**30,171.84**		**7,185.30**		**51.36**		**7,236.66**

Name of Entities	2021-22							
	Net Assets i.e. total assets minus total liabilities		Share in profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated net profit	Amount	As a % of consolidated Other Comprehensive Income	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent:								
JK Files & Engineering Limited	56.04%	12,829.31	68.88%	5,871.36	175.40%	(143.16)	67.85%	5,728.20
Subsidiary:								
JK Talabot Limited (Group's Share)	5.34%	1,222.69	0.93%	79.23	-24.25%	19.79	1.17%	99.02
Scissors Engineering Products Limited (Group's Share)	0.11%	25.12	75.34%	6,421.66	0.00%	-	76.07%	6,421.66
Ring Plus Aqua Limited (Group's Share)	47.63%	10,904.23	40.47%	3,449.41	-43.16%	35.23	41.28%	3,484.64
Non Controlling Interest of JK Talabot Limited	0.59%	135.85	0.10%	8.80	-2.70%	2.20	0.13%	11.00
Non Controlling Interest of Ring Plus Aqua Limited	5.85%	1,338.05	4.97%	423.28	-5.29%	4.32	5.07%	427.60
Inter-company Elimination & Consolidation Adjustments	-15.56%	(3,563.11)	-90.69%	(7,729.99)	0.00%	-	-91.56%	(7,729.99)
Grand Total		**22,892.14**		**8,523.75**		**(81.62)**		**8,442.12**

Note 44: Additional regulatory information required by Schedule III

(i) Details of benami property held
No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Valuation of Property Plant & Equipment, intangible asset and investment property
The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both.

(iii) Wilful defaulter
None of the entities in the Group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies
The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies
The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements
The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium
The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(viii) Undisclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency
The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

Note 45: Name change

During the previous year, the Board of Directors of the Company in their meeting held on September 27, 2021 approved the change in the name of the Company from JK Files (India) Limited to JK Files & Engineering Limited as approved by Ministry of Company Affairs, effective from 10th November, 2021.

Note 46: Sub-division of equity shares

During the previous year, the Board of Directors of the Company in its meeting held on September 27, 2021 approved sub-division of existing authorised share capital of the Company from Rs. 1,700.00 lakhs consisting of 17,000,000 equity shares of face value of INR 10 each to 85,000,000 equity shares of face value of INR 2 each and sub-division of existing issued, subscribed and paid up equity share capital of the Company from Rs. 874.07 lakhs consisting of 8,740,658 equity shares of face value of Rs. 10 each to 43,703,290 equity shares of face value of Rs. 2 each. This has been approved by the shareholders in their extra-ordinary general meeting held on October 28, 2021.

Note 47: Bonus issue of equity shares

During the previous year, the Board of Directors of the Company in its meeting held on September 27, 2021 approved issuance of bonus shares in the ratio of 1:5 to existing equity shareholders by capitalising a sum of Rs. 174.81 lakhs out of the reserves of the Company, pursuant to which issued, subscribed and paid-up equity share capital of the Company stands increased from Rs. 874.07 lakhs consisting of 43,703,290 equity shares of face value of INR 2 each to Rs. 1048.88 lakhs consisting of 52,443,948 equity shares of face value of INR 2 each. This has been approved by the shareholders in their extra-ordinary general meeting held on October 28, 2021.

Note 48: Business Combination

On October 31, 2021, Raymond Limited, the holding company of JK Files & Engineering Limited (the 'Company') (JKFEL) transferred by way of delivery, 100% equity share capital of SEPL to JKFEL at Nil consideration. Effective October 31, 2021, SEPL has become a wholly owned subsidiary of JK Files & Engineering Limited, by virtue of which, Ring Plus Aqua Limited (SEPL's subsidiary) became a step down subsidiary of JKFEL. Consequent to the above, SEPL group became part of JKFEL Group.

Subsequently, SEPL transferred, by way of delivery, 89.07% of equity share capital of RPAL, the then subsidiary of SEPL, at Nil consideration to the Company. Accordingly, effective November 11, 2021, RPAL has become a direct subsidiary of the Company.

The aforesaid acquisitions have been accounted as business combinations of entities under common control as per appendix C of Ind AS 103 'Business Combination', using pooling of interest method in consolidated financial statements for the year ended March 31, 2022.

Details of assets, liabilities and Reserve vested at their respective carrying values are as under:

Particulars	SEPL Group
Non-current assets	
Property, plant and equipment	8,884.94
Right of use assets	86.54
Capital work - in - progress	5.51
Other intangible assets	7.59
Financial assets	
- Investments	8.22
- Other financial assets	24.39
Current tax assets (net) - non-current	363.44
Other non-current assets	257.65
Current assets	
Inventories	3,305.40
Financial assets	
- Investments	1,597.43
- Trade receivables	3,097.74
- Cash and cash equivalents	405.04
- Bank balances other than above	-
- Loans	1,500.00
- Other financial assets	60.05
Other current assets	590.21
Total Assets (A)	**20,194.15**
Non-current liabilities	
Financial liabilities	
- Borrowings	35.53
Deferred tax liabilities	504.39
Current liabilities	
Financial Liabilities	
- Borrowings	1,242.97
- Trade payables	3,748.65
- Other financial liabilities	550.35
Provisions	537.24
Current tax liabilities (net)	-
Other current liabilities	336.58
Total Liabilities (B)	**6,955.71**
Other Equity:	
-Capital Reserve	21.81
- Employee Stock Options Reserve	53.44
- Retained Earnings	8,878.83
Total Other Equity (C)	**8,954.08**
Non Controlling Interest (D)	**1,446.26**
Capital Reserve (A - B - C - D)	**2,838.10**

Note 49: Share Based Payments

A. The Company's subsidiary Ring Plus Aqua Limited has instituted Ring Plus Aqua Limited - Employee Stock Option Scheme 2019 (RPAL ESOP 2019), pursuant to the approval of the shareholders of the company at their Extra Ordinary General Meeting held on March 1, 2019. The Option Plan is designed to provide incentives to employees for long term value creation. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Once vested, the options remain exercisable for a period of one years.

Options are granted under the plan, carry no dividend or voting rights. When exercisable, each option is convertible into one equity share of face value Rs. 10 per share.

Under RPAL ESOP 2019, the RPAL has granted 111,947 stock options for fair value of option determined on the date of grant.

Set out below is a summary of options granted under the plan:

	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance	108,232	111,947
Granted during the year	-	-
Exercised during the year	-	-
Forfeited during the year	11,835	3,715
Closing balance	96,397	108,232
Vested and exercisable	96,397	108,232

The model inputs for options granted included :

Date of grant	April 26, 2019
Number of options granted	111,947
Exercise price per option	Rs. 10.00
Vesting period	Over a period of 4 years from the date of initial public offering (IPO) of RPAL as under :
	40% of Options at the time of RPAL's IPO
	20% of Options after completing 1 year of RPAL's IPO
	20% of Options after completing 2 years of RPAL's IPO
	20% of Options after completing 3 years of RPAL's IPO
Exercise period	One year from the date of vesting
Expected Terms	5.9 years
Share Price at grant date	277
Fair value of share options	270.96
Expected Price volatility of the RPAL's Shares	48%
Expected dividend yield	0%
Risk-Free interest rate	7.67%

B. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at the grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The total expenses arising from share-based payments transactions recognised in profit or loss as part of employee benefit expense are as follows :

	Year ended March 31, 2023	Year ended March 31, 2022
Employee Stock Option Plan Expenses	42.96	44.98

Note 50: Exceptional items

Particulars	Year ended March 31, 2023 (Refer note no (i) below)	Year ended March 31, 2022 (Refer note no (ii) below)
Gain on sale of Land & Building	(534.42)	1,186.83
Retrenchment compensation	796.66	-
Voluntary retirement benefits	334.97	-
Total	**597.21**	**1,186.83**

(i) For the year ended March 31, 2023:
a) During the financial year ended March 31, 2023, the Group has disposed its rights in leasehold land (Right of Use Asset) and Building of its Pithampur plant at Pithampur on September 16, 2022 , resulting in net gain of Rs. 534.42 lakhs.

b) Further, the Group has also given retrenchment compensation amounting to Rs. 796.66 lakhs (full and final settlement) to its eligible employees at Pithampur plant in accordance with Section 25FF of Industrial Disputes Act, 1947.

c) The Group during the financial year offered 'voluntary retirement benefits' (VRS scheme) to its eligible employees at its Starter Gear Division plant, beginning from October 11, 2022 to October 18, 2022. Pursuant to above, 29 employees opted for the scheme. Total cost of Rs. 334.97 lakhs has been determined and paid, which has been currently disclosed as 'Exceptional Item' in the statement of Profit and Loss.

(ii) For the year ended March 31, 2022:
During the financial year ended March 31, 2022, the Group had sold its Land and Buiding situated at Kolkata, which had resulted in gain of Rs. 1,186.83 lakhs which was disclosed as exceptional item in the statement of Profit & Loss in the previous year.

Note 51: Events occurring after the reporting period

The Board of Directors vide their meeting held on May 02, 2023, approved sale of its 'right in leasehold land' and building thereon of its Ratnagiri plant having WDV of Rs. 161.69 lakhs and Rs. 364.19 lakhs respectively as at March 31, 2023. The remaining assets of Ratnagiri (mainly plant and machinery) will be transferred to the other locations. Applying the principles of Ind AS 10 'Events after the Reporting Period', the aforesaid event is considered as a non-adjusting subsequent event event in these consolidated financial statements.

As per our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration N0. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
May 02, 2023

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 02, 2023

JK TALABOT LIMITED

ANNUAL REPORT 2022-23

BOARD OF DIRECTORS	:	SHRI HUKUMCHAND LAKHOTIYA SHRI ARNAUD MOULIN SHRI PRAVIN MOHIRE (Appointed as Additional Director on September 08, 2022)
STATUTORY AUDITORS	:	MESSRS. PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
INTERNAL AUDITORS	:	MESSRS. ERNST & YOUNG 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 have pleasure in presenting their **Eighteenth** Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2023.

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 2023, the Gross Sales Revenue of the company stood at Rs. 30.80 Crore (Previous Year: Rs. 28.56 Crore). The Company reported a loss after tax of Rs. 30.91 Lakh during FY 2023 (Previous Year: Profit Rs. 88.03 Lakh).

Despite the low demand conditions globally coupled with inflationary trends, the revenue performance of the Company during the year was good.

2. Material changes and commitment – if any, affecting financial position of the Company from the end of the Financial Year till the date of this Report:

There has been no material change and commitment, affecting the financial performance of the Company which occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of this Report, except for the impact arising out of COVID-19, which is detailed below in point no. 3 of this Report.

3. COVID-19 and its impact:

Your Company is in the business of manufactures steel files and, a key supplier in tools and hardware supply chain market. Files are going to remain key and a top priority going forward as well. The Company's strong contingency plans are in place to secure operations and supply chain so that files manufacturing production continues.

The management has performed a detailed assessment for impact of ongoing COVID-19 pandemic on its business operations (including liquidity position) and concluded that no material adjustments are considered necessary in the financial statements as at March 31, 2022. Further, based on the current scenario, the management does not foresee any material impact in the subsequent periods as well.

4. DIVIDEND

In order to conserve resources, no dividend has been recommended for the FY 2021-22.

5. RESERVES

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

6. AUDITORS

M/s. Price Waterhouse Chartered Accountants LLP (ICAI Firm Registration Number FRN: 012754N/N500016) are the Statutory Auditors of the Company from the conclusion of 17th AGM till the 22nd AGM of the Company.

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

7.1 INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

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

The Company has entrusted the internal and operational audit to M/s. Ernst & Young LLP, Chartered Accountants, a reputed firm of Chartered Accountants. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of the control mechanism.

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

7.2 SECRETARIAL STANDARDS

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

7. 3 REPORTING OF FRAUDS

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

8. SHARE CAPITAL

The paid-up Equity Share Capital as on March 31, 2023 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, 2023, 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 Hukumchand Lakhotiya (DIN No. 09043106), Director retires by rotation at the forthcoming Annual General Meeting and, being eligible offer himself for re-appointment.

During the year, Five Board Meetings were held. The details of the meetings are given below:

Sr. No.	Date of Board Meeting	Name of Directors			
		Shri Arnaud Moulin	Shri Pravin Mohire	Shri Srinivasan Ganapathy	Shri Hukumchand Lakhotiya
1	12/05/2022	-	N.A.	✓	✓
2	01/08/2022	-	N.A.	✓	✓
3	08/09/2022	✓	✓	✓	✓
4	27/10/2022	-	✓	N.A.	✓
5	27/01/2023	-	✓	N.A.	✓

*Shri Srinivasan Ganapathy resigned as Director w.e.f. September 08, 2022

**Shri Pravin Mohire was appointed as Director w.e.f. September 08, 2022

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 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

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

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

16. ANNUAL RETURN

The details forming part of the draft Annual Return in Form MGT-7 is uploaded on the website https://jksuperdrive.com/

17. PARTICULARS OF EMPLOYEES

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

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

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

19. DISCLOSURES

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

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

20. ACKNOWLEDGEMENT

The Directors express their appreciation to all the stakeholders. The Directors also extend their appreciation to the Banks and Joint Venture Partners for their continued support and co-operation.

For and on behalf of the Board of
JK TALABOT LIMITED

Sd/-	Sd/-
Hukumchand Lakhotiya	Pravin Mohire
Director	Director
DIN: 09043106	DIN: 07523109

May 2, 2023
Thane

Annexure - A

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

The Information under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2021 is given here below and forms part of the Directors' Report.

A) CONSERVATION OF ENERGY:

- Under the Green Energy initiative we have installed and commissioned a "Solar Power Generation system of 100 kWp" in F.Y. 2015-16 in the premises of JK Talabot. In this financial year i.e. (FY 2022-23) we have generated Green power of 100 MWh thereby achieving a reduction of 85 MT of CO2.
- In addition to the above, various initiatives were taken during FY 2022-23 at the manufacturing units of the Company. These initiatives resulted in saving electricity and the total savings achieved during FY2022-23 was Rs. 10.86 Lakh.

Initiative	Actual Saving in (Rs. Lac)
Oxley 50hp old motors replacing with Energy efficient motors	₹ 3.78
Reducing Difference between Kwh and KVAH	₹ 3.88
Using small compressor During Shift change time for scouring machine and Balancing use of compressor with changing load zone balancing	₹ 3.20

B) TECHNOLOGY ABSORPTION, ADAPATION, INNOVATION:

a) Development in machine: Various cost-saving initiatives
b) New Product Development: Not Applicable
c) New packaging development: Not Applicable
d) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – Not Applicable
e) Research and Process Development: Not Applicable

C) FOREIGN EXCHANGE EARNINGS AND OUTGO :

The Company has Rs. 3.17 Crores (Previous Year: Rs. 5.84 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, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, 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 Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the financial statements and our auditor's report thereon.

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

10. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

11. As required by Section 143(3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the financial statements;

ii. The Company has long-term contracts as at March 31, 2023 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2023.

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, 2023.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 36 to the financial statements);

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 36 to the financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

12. The Company has not paid/ provided for managerial remuneration during the year. Accordingly, the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company.

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

Sd/-
Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 23112433BGYMMA2752

Mumbai
May 02, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 11(f) of the Independent Auditor's Report of even date to the members of JK Talabot Limited on the financial statements for the year ended March 31, 2023
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, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Annexure A to Independent Auditor's Report

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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

Sd/-
Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 23112433BGYMMA2752

Mumbai
May 2, 2023

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 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, 2023

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any Intangible assets and accordingly, reporting under this Clause is not applicable.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 2(a) and 2(b) to the financial statements, are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

Annexure B to Independent Auditors' Report

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

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

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 28 to the financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short term basis.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Therefore, the reporting under clause 3(ix)(e) and (ix)(f)of the Order are not applicable to the Company.

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

Annexure B to Independent Auditors' Report

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.

xiv. The Company is not mandated to have an internal audit system during the year.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

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

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 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, 2023
Page 4 of 4

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 35 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

Sd/-
Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 23112433BGYMMA2752

Place: Mumbai
Date: May 02, 2023

JK Talabot Limited
Balance Sheet as at 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
I	**ASSETS**			
1	**Non-current assets**			
	(a) Property, Plant and Equipment	2(a)	599.18	616.76
	(b) Right-of-Use Assets	2(b)	15.74	15.93
	(c) Capital work-in-progress	2(c)	24.48	8.62
	(d) Financial Assets			
	(i) Other Financial Assets	3	2.58	2.58
	(e) Deferred tax assets (net)	24(b)	0.64	-
	(f) Non Current Tax Assets (Net)	24(c)	66.38	43.15
	(g) Other non - current assets	4	5.00	30.42
	Total Non-Current Assets		**714.00**	**717.46**
2	**Current assets**			
	(a) Inventories	5	239.89	270.00
	(b) Financial Assets			
	(i) Trade receivables	6	692.06	714.38
	(ii) Cash and cash Equivalents	7	25.65	70.46
	(iii) Other Financial Assets	8	-	0.12
	(c) Other current assets	9	22.10	35.56
	Total Current Assets		**979.70**	**1,090.52**
	TOTAL ASSETS		**1,693.70**	**1,807.98**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	10	805.44	805.44
	(b) Other equity	11	536.09	553.10
	TOTAL EQUITY		**1,341.53**	**1,358.54**
	LIABILITIES			
2	**Non-current liabilities**			
	(a) Deferred tax liabilities (Net)	24(b)	-	5.06
	Total Non-Current Liabilities		**-**	**5.06**
3	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Trade payables	12		
	(a) total outstanding dues of micro and small enterprises		3.19	7.75
	(b) total outstanding other than (i) (a) above		177.62	139.75
	(ii) Other financial liabilities	13	115.29	237.60
	(b) Provisions	14	39.89	40.24
	(c) Other current liabilities	15	16.18	19.04
	Total Current Liabilities		**352.17**	**444.38**
	TOTAL LIABILITIES		**352.17**	**449.44**
	TOTAL EQUITY AND LIABILITIES		**1,693.70**	**1,807.98**
	SIGNIFICANT ACCOUNTING POLICIES	**1(a)**		

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

Arunkumar Ramdas
Partner
Membership Number - 112433

Hukumchand Lakhotiya
Director
DIN: 09043106

Pravin Mohire
Director
DIN: 07523109

Mumbai
Date: 2nd May, 2023

Mumbai
Date: 2nd May, 2023

JK Talabot Limited
Statement of Profit and Loss for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	Year ended 31st March, 2023	Year ended 31st March, 2022
I	**Revenue from Operations**	16	3,080.88	2,856.31
II	**Other Income**	17	15.97	77.90
III	**Total Income (I + II)**		**3,096.85**	**2,934.21**
IV	**Expenses**			
	Cost of materials consumed	18	1,022.24	889.91
	Changes in inventories of work-in progress and finished goods	19	29.65	(7.98)
	Employee benefits expense	20	778.92	796.79
	Finance costs	21	0.20	0.23
	Depreciation and amortization expense	22	62.63	60.32
	Other expenses	23	1,244.50	1,083.80
	Total expenses (IV)		**3,138.14**	**2,823.07**
V	**Profit / (Loss) before tax (III -IV)**		**(41.29)**	**111.14**
VI	**Tax expense**	24		
	Current tax		-	22.98
	Deferred tax		10.38	0.13
	Total Tax expenses (VI)		**10.38**	**23.11**
VII	**Profit / (Loss) for the year (V- VI)**		**(30.91)**	**88.03**
VIII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	25	18.58	27.73
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Remeasurements of net defined benefit plans	24	(4.68)	(5.74)
	Other Comprehensive Income for the year		**13.90**	**21.99**
IX	**Total Comprehensive Income for the year (VII + VIII)**		**(17.01)**	**110.02**
X	**Earnings per equity share of Rs. 10 each :**	26		
	Basic & Diluted (in Rs.)		(0.38)	1.09
	SIGNIFICANT ACCOUNTING POLICIES	1(a)		

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

As per our report of even date

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

Arunkumar Ramdas
Partner
Membership Number - 112433

Mumbai
Date: 2nd May, 2023

For and on behalf of the Board of Directors

Hukumchand Lakhotiya
Director
DIN: 09043106

Pravin Mohire
Director
DIN: 07523109

Mumbai
Date: 2nd May, 2023

JK Talabot Limited
Statement of Changes in Equity for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

A. EQUITY SHARE CAPITAL

Particulars	Amount
Balance as at 1st April, 2021	**805.44**
Changes in Equity Share Capital during the year	-
Balance as at 31st March, 2022	**805.44**
Balance as at 1st April, 2022	**805.44**
Changes in Equity Share Capital during the year	-
Balance as at 31st March, 2023	**805.44**

B. Other Equity

Particulars	Reserves and Surplus
	Retained Earnings
Balance as at 1st April, 2021	**1,892.87**
Profit for the year	88.03
Remeasurement of defined benefit obligation, net of tax	21.99
Total Comprehensive Income for the year	**110.02**
Interim Dividend	**(1,449.79)**
Balance as at 31st March, 2022	**553.10**
Profit for the year	(30.91)
Remeasurement of defined benefit obligation, net of tax	13.90
Total Comprehensive Income for the year	**(17.01)**
Balance as at 31st March, 2023	**536.09**

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

Arunkumar Ramdas
Partner
Membership Number - 112433

Hukumchand Lakhotiya
Director
DIN: 09043106

Pravin Mohire
Director
DIN: 07523109

Mumbai
Date: 2nd May, 2023

Mumbai
Date: 2nd May, 2023

JK Talabot Limited
Statement of Cash Flow for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
A. Cash Flow from Operating Activities				
Profit/ (Loss) before tax as per statement of profit and loss		(41.29)		111.14
Adjustment for :				
Depreciation	62.63		60.32	
Net loss on disposal / discard of property, plant and equipment	6.81		-	
Interest income	2.28		(57.04)	
Net gain on sale / fair valuation of investments	-		(13.76)	
Unrealised Loss / (Gain) on foreign exchange fluctuations	0.41		0.47	
Remeasurements of net defined benefit plans	18.58		27.73	
Finance Costs	0.20		0.23	
		90.91		17.95
Operating Profit Before Working Capital Changes		49.62		129.09
Adjustment for :				
Decrease / (Increase) in Inventories	30.11		(55.36)	
Decrease / (Increase) in Trade and Other Receivables	41.26		(137.21)	
(Decrease) / Increase in Trade Payables and Other Current Liabilities	(94.25)		145.04	
(Decrease) in Provision	(0.35)		(63.67)	
		(23.23)		(111.20)
Cash (used in) / generated from Operations		26.39		17.89
Less : Direct Taxes Paid (net of refunds)		(23.23)		(39.20)
Net cash (used in) / generated from operating activities		**3.16**		**(21.31)**
B. Cash Flow from Investing Activities				
Inflows				
Inter Corporate Deposit repayment from group companies		-		1,310.00
Proceeds from sale of current investments		-		156.93
Interest received		2.40		72.80
		2.40		1,539.73
Outflows				
Purchase of property, plant & equipment		(50.17)		(50.48)
		(50.17)		(50.48)
Net cash (used in) / generated from investing activities		**(47.77)**		**1,489.25**
C. Cash Flow from Financing Activities				
Outflows				
Interest Paid		(0.20)		(0.23)
Interim Dividend Paid		-		(1,449.79)
Net cash (used in) financing activities		**(0.20)**		**(1,450.02)**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		(44.81)		17.92
Add :Cash and Cash Equivalents at the beginning of the financial Year		70.46		52.54
Cash and Cash Equivalents as at the end of the Year		**25.65**		**70.46**

Reconcilation of Cash and Cash Equivalents as per Cash Flow Statement	Year ended 31st March, 2023	Year ended 31st March, 2022
Cash and Cash Equivalent as per above comprise of the following		
Cash and Cash Equivalent (Refer note 7)	25.65	70.46
Balance as per Statement of Cash Flows	**25.65**	**70.46**

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

Arunkumar Ramdas
Partner
Membership Number - 112433

Mumbai
Date: 2nd May, 2023

For and on behalf of the Board of Directors

Hukumchand Lakhotiya
Director
DIN: 09043106

Pravin Mohire
Director
DIN: 07523109

Mumbai
Date: 2nd May, 2023

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 deals in Engineering tools and related components

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], as amended 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 Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments 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) New and amended standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.
The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.
These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

(v) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the normal operating cycle (twelve months) and other criteria set out in the Schedule III (Division II) to the Act.

(vi) Rounding of amounts

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

(b) Use of estimates and judgments

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

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

(c) Property, plant and equipment

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on Factory Buildings and Plant and Equipment is provided on a straight line method and in case of other assets on written down value method, net of their residual values, over the estimated useful lives of assets. Leasehold land is amortised over the period of lease.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery, useful life for which is based on an independent technical evaluation has been estimated as 24 years from the date of acquisition (on a single shift basis), which is different from that prescribed in Schedule II of the Act.

Class of Asset	Useful life
Buildings	60 years
Plant and machinery	24 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computers	3 years

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

Leases are recognised as a right-of-use asset ("ROU")and a corresponding lease liability at the date at which leased asset is available for use by the company for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases)and leases of low value assets. For these short term leases and leases of low value assets, the company recognises the lease payments as an expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and restoration costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments which includes principal and finance cost component. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

To determine the incremental borrowing rate, the company where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the company recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss.

(e) Segment Reporting:

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

(f) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and certain cash credit facilities that form an integral part of the company's cash management.

(g) Inventories

Inventories of raw materials, stores and spares, work-in-progress, and finished goods are stated at cost or net realisable value, whichever is lower. Cost of raw materials comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost formula used is 'Weighted Average cost'. Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(h) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects the Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.
They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(j) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:
* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
* those measured at amortised cost.
The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.
For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. The company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition

Financial assets are initially recognised when the Company becomes party to the contractual provisions of the instrument.

(iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

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

* Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / other expenses. Impairment losses are presented as separate line item in the statement of profit and loss.

* Fair value through 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 FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised 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. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in statement of profit and loss.

A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net with other income / other expenses in the year in which it arises.

(iv) Impairment of financial assets
The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(v) Income recognition
Interest income
Interest income from debt instruments is recognised using the effective interest rate method to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

(vi) Derecognition of financial assets
A financial asset is derecognised only when:
• the company has transferred the rights to receive cash flows from the financial asset or
• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

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

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote.

Contingent assets are not recognized in the financial statements unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

(l) Revenue recognition

Revenue with Contracts with Customers

Sales are recognised when the control of the goods has been transferred to customer which is generally on delivery of goods and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, risk of obsolescence and loss have been transferred to the customer and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the company has objective evidence that all criteria for the acceptance have been satisfied.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(m) Employee benefits

(i) Post-employment obligations

Defined Benefit Plan

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

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

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

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

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calculated by actuary are recognised immediately in the Statement of Profit and Loss as past service cost.

(ii) Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b)when the company recognises costs for restructuring that is within the scope of Ind AS37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(iii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iv) Short-term Employee Benefits

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

(v) Defined Contribution Plans

The Company pays provident fund contributions etc. to publicly administered provident and other funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are incurred.

(n) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

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

(o) Income tax

The income tax expense or credit for the year is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

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

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

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

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

(p) Earnings Per Share

Basic earnings per share

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

Diluted earnings per share

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

(q) Impairment of non-financial assets:

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

1(b) Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimtes or judgement is:
- Estimation of Defined benefit obligation - Measurement of defined benefit obligation and related plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality. (Refer Note 25).
- Inventory write down - Inventory write downs are assessed based on slow-moving, non-moving and defective inventories considering various factors such as likely usage, obsolescence etc. (Refer Note 5)
- Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

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

Note-2(a) Property, Plant and Equipment

	Buildings	Plant & Equipment	Furniture & fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying Amount							
Balance as at 1st April, 2021	**363.01**	**876.81**	**3.33**	**1.55**	**5.89**	**5.16**	**1,255.75**
Additions	26.33	29.47	-	-	-	0.12	**55.92**
Disposals	2.66	-	-	-	-	-	**2.66**
Balance as at 31st March, 2022	**386.68**	**906.28**	**3.33**	**1.55**	**5.89**	**5.28**	**1,309.01**
Additions	-	50.96	-	-	0.71	-	**51.67**
Disposals	-	29.21	-	-	-	-	**29.21**
Balance as at 31st March, 2023	**386.68**	**928.03**	**3.33**	**1.55**	**6.60**	**5.28**	**1,331.47**
Accumulated Depreciation							
Balance as at 1st April, 2021	**89.62**	**535.68**	**1.52**	**1.39**	**3.07**	**3.50**	**634.78**
Charge for the year	16.83	41.92	0.35	0.01	0.41	0.61	**60.13**
Disposals	2.66	-	-	-	-	-	**2.66**
Balance as at 31st March, 2022	**103.79**	**577.60**	**1.87**	**1.40**	**3.48**	**4.11**	**692.25**
Charge for the year	17.13	44.82	0.26	-	0.23	-	**62.44**
Disposals	-	22.40	-	-	-	-	**22.40**
Balance as at 31st March, 2023	**120.92**	**600.02**	**2.13**	**1.40**	**3.71**	**4.11**	**732.29**
Net carrying amount							
Balance as at 31st March, 2022	**282.89**	**328.68**	**1.46**	**0.15**	**2.41**	**1.17**	**616.76**
Balance as at 31st March, 2023	**265.76**	**328.01**	**1.20**	**0.15**	**2.89**	**1.17**	**599.18**

NOTE:

1) Refer note 27 for information on Property Plant and Equipment pledged as security by the company.
2) Refer Note 29 for disclosure of contractual commitments for acquisition of Property, Plant and Equipment
3) The Company has not revalued its property, plant and equipment during the current or previous year.
4) The title deeds of all the immovable properties are held in the name of the company.

(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, 2023	As at 31st March, 2022
Right-of-use assets		
Lease hold Land	15.74	15.93
Total	**15.74**	**15.93**

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, 2023	Year ended 31st March, 2022
Depreciation charge of right-of-use assets			
Lease hold Land	22	0.19	0.19
Total		**0.19**	**0.19**

NOTE:

1) The Company has not revalued its Right-of-use asset during the current or previous year.
2) The title deeds of all the immovable properties are held in the name of the company.

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 2 (c) Capital work - in - progress schedule

	CWIP
Balance as at 1st April, 2021	**18.38**
Additions	46.16
Capitalisation	55.92
Balance as at 31st March, 2022	**8.62**
Additions	67.53
Capitalisation	51.67
Balance as at 31st March, 2023	**24.48**

Capital work - in - progress ageing schedule

As at 31st March, 2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	24.48	-	-	-	24.48

As at 31st March, 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	8.62	-	-	-	8.62

Note:

1) Actual cost of capital projects in progress has not exceeded the estimated cost and the actual timelines for completion of projects has not exceeded the estimated timelines in respect of the amounts reported above, as at the end of each reporting period. Accordingly, completion schedule is not presented.

2) Capital work in progress majorly comprises of machinery which are pending installation.

Note-3 Other Financial Assets

	As at 31st March, 2023	As at 31st March, 2022
Security Deposits	2.58	2.58
Total	**2.58**	**2.58**

Note-4 Other non - current assets

	As at 31st March, 2023	As at 31st March, 2022
Balances with Government Authorities	-	5.07
Capital advances	5.00	25.35
Total	**5.00**	**30.42**

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

	As at 31st March, 2023	As at 31st March, 2022
Raw Materials	124.94	126.02
Work-in-progress	71.54	84.89
Finished goods	23.43	39.73
Stores and Spares	19.98	19.36
Total	**239.89**	**270.00**

Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Write down of Rs.27.83 Lakhs during the year (Previous Year write-back Rs 14.63 Lakhs). These write downs were recognised as expenses and included in 'Raw material consumed', 'changes in value of inventories of finished goods and work -in- progress' and 'consumption of stores and spares' in the statement of Profit and Loss.

Note-6 Trade receivables

	As at 31st March, 2023	As at 31st March, 2022
Receivables from related parties	692.06	714.38
Less : Loss allowance	-	-
Total Receivables	**692.06**	**714.38**

Break-up of security details

	As at 31st March, 2023	As at 31st March, 2022
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	692.06	714.38
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	**692.06**	**714.38**
Loss allowance	-	-
Total	**692.06**	**714.38**

Trade Receivables Ageing Schedule

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less Than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March 2023	425.02	267.04	-	-	-	-	692.06
As at 31st March 2022	475.44	238.94	-	-	-	-	714.38

There are no disputed trade receivables

Note-7 Cash and cash equivalents

	As at 31st March, 2023	As at 31st March, 2022
Cash on hand	0.37	0.46
Balances with Banks		
-In current accounts	25.28	20.00
-In deposit accounts	-	50.00
Total	**25.65**	**70.46**

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-8 Other Financial Assets

	As at 31st March, 2023	As at 31st March, 2022
Interest Accrued	-	0.12
Total	**-**	**0.12**

Note-9 Other current assets

	As at 31st March, 2023	As at 31st March, 2022
Export benefit receivables	4.02	11.50
GST Receivable	0.23	1.44
Advances to Suppliers	9.69	3.28
Prepaid expenses	6.81	5.88
Other receivables	1.35	13.46
Total	**22.10**	**35.56**

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

Note-10-Equity Share capital

	As at 31st March, 2023	As at 31st March, 2022
Authorised		
1,00,00,000 [31st March, 2022: 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, 2022: 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, 2023		As at 31st March, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	8,054,372	805.44	8,054,372	805.44
Balance as at the end of the year	**8,054,372**	**805.44**	**8,054,372**	**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, 2023	As at 31st March, 2022
JK Files & Engineering Limited (Formerly known as JK Files (India) Limited), India (in Nos.)	7,248,936	7,248,936

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

	As at 31st March, 2023		As at 31st March, 2022	
NAME OF SHAREHOLDERS	Number of shares	% of Holding	Number of shares	% of Holding
JK Files & Engineering Limited (Formerly known as JK Files (India) Limited), India	7,248,936	90%	7,248,936	90%
Novalias SAS, France (Formerly known as MOB Mondellin SAS)	805,436	10%	805,436	10%

e) Disclosure of Shareholding of Promoters
Since all the shares of the Company are held by its promoters JK Files & Engineering Limited (Formerly known as JK Files (India) Limited) and Novalias SAS (Formerly known as MOB Mondelin SAS) and there being no changes in such shareholding as at the end of the each year referred in 10 (d) above, hence no separate disclosure is required in respect of 'Disclosure of Shareholding of Promoters'.

f) During the five years immediately preceding the reporting date, no shares have been bought back nor had the Company issued any bonus shares or any shares for consideration other than cash

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-11-Other Equity

Particulars	Reserves and Surplus
	Retained Earnings
Balance as at 1st April, 2021	**1,892.87**
Profit for the year	88.03
Remeasurement of defined benefit obligation, net of tax	21.99
Total Comprehensive Income for the year	**110.02**
Interim Dividend	**(1,449.79)**
Balance as at 31st March, 2022	**553.10**
Profit for the year	(30.91)
Remeasurement of defined benefit obligation, net of tax	13.90
Total Comprehensive Income for the year	**(17.01)**
Balance as at 31st March, 2023	**536.09**

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-12 Trade payables

	As at 31st March, 2023	As at 31st March, 2022
Trade payables (Refer Note below)		
Micro and small enterprises	3.19	7.75
Others	177.62	139.75
Total	**180.81**	**147.50**

Refer Note-31 for information about liquidity risk and market risk of trade payables.

Trade Payables Ageing Schedule (Undisputed)

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less Than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March 2023							
(i) Micro enterprises and small enterprises	-	3.19	-	-	-	-	3.19
(ii) Others	46.85	50.14	80.63	-	-	-	177.62
Total	46.85	53.33	80.63	-	-	-	180.81
As at 31st March 2022							
(i) Micro enterprises and small enterprises	-	7.75	-	-	-	-	7.75
(ii) Others	34.54	77.62	27.58	-	-	-	139.75
Total	34.54	85.37	27.58	-	-	-	147.50

There are no disputed trade payables

Note :
DUES TO MICRO AND SMALL ENTERPRISES
The disclosure pursuant to Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are as follows.

	As at 31st March, 2023	As at 31st March, 2022
Principal amount due to suppliers registered under MSME Act and remaining unpaid as at period end	3.19	7.75
Interest due thereon to suppliers registered under the MSMED Act and remaining unpaid as at the period end	-	-
Principal Amounts paid to suppliers registered under the MSMED Act, beyond the appointed date during the period	-	-
Interest paid, other than under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-
Interest paid, under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed date during the period	-	0.43
Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act	-	-
Interest accrued and remanining unpaid at the end of each accounting period	-	-
Amount of further interest remaining due and payable even in the succeeding periods, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of deductible expnediture under section 23 of the MSMED Act	-	-

Note-13 - Other current financial liabilities

	As at 31st March, 2023	As at 31st March, 2022
Employee Benefits Payable	93.04	207.17
Capital Creditors	2.99	-
Other payables	19.26	30.43
Total	**115.29**	**237.60**

Refer Note-31 for information about liquidity risk and market risk of financial liabilities.

Note-14 Provisions

	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits (Refer note -25)		
-Compensated absences	39.89	40.24
Total	**39.89**	**40.24**

Note-15 - Other Current liabilities

	As at 31st March, 2023	As at 31st March, 2022
Statutory Dues payable	16.18	19.04
Total	**16.18**	**19.04**

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

Note-16 **Revenue from Operations**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Revenue from Contract with Customers (Sale of Products)		
(i) Manufactured goods - Domestic	2,673.44	2,210.11
(ii) Manufactured goods - Export	317.00	584.08
Total (A)	**2,990.44**	**2,794.19**
Other operating revenue		
(i) Export Incentives	7.30	14.24
(ii) Process waste sale	83.14	47.88
Total (B)	**90.44**	**62.12**
Total (A+B)	**3,080.88**	**2,856.31**

Notes:
(i) Disaggregation of revenue from contracts with customers:
The Company derives revenue from the sale of goods and services in the following geographical regions:

	Year ended 31st March, 2023	Year ended 31st March, 2022
India	2,673.44	2,210.11
Latin America	-	1.49
Europe	317.00	582.59
	2,990.44	**2,794.19**

The Company derives revenue from the sale of following goods and services:

	Year ended 31st March, 2023	Year ended 31st March, 2022
Engineering Files	2,990.44	2,794.19
	2,990.44	**2,794.19**

Note-17 **Other income**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest income		
- On financial assets at amortised cost	0.08	56.04
- On Income Tax Refund	2.20	1.00
Net gain on sale / fair valuation of investments	-	13.76
Miscellaneous Income	13.69	7.10
Total	**15.97**	**77.90**

Note-18 **Cost of materials consumed**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Raw material at the beginnning of the year	126.02	73.88
Purchases	1,021.16	942.05
Less : Raw material at the end of the year	124.94	126.02
Total	**1,022.24**	**889.91**

Note-19 **Changes in inventories of work-in-progress and finished goods**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Opening inventories		
Work-in-progress	84.89	87.32
Finished goods	39.73	29.32
	124.62	**116.64**
Closing inventories		
Work-in-progress	71.54	84.89
Finished goods	23.43	39.73
	94.97	**124.62**
Total	**29.65**	**(7.98)**

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

Note-20 **Employee benefits expense**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Salaries, wages, bonus etc	657.76	674.96
Contribution to Gratuity Funds (Refer note -25)	18.58	27.73
Contribution to provident funds and other funds (Refer note -25)	44.08	40.08
Workmen and Staff welfare expenses	58.50	54.02
Total	**778.92**	**796.79**

Note-21 **Finance costs**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest expense	0.20	0.23
Total	**0.20**	**0.23**

Note-22 **Depreciation and amortization expense**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Depreciation on property, plant and equipment	62.44	60.13
Depreciation on Right of Use Asset	0.19	0.19
Total	**62.63**	**60.32**

Note-23 **Other Expenses**

Note-23 **(a) Manufacturing and Operating Costs**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Consumption of stores and spare parts	274.34	248.11
Power and fuel	360.47	308.39
Job work charges	205.07	170.03
Repairs to buildings	6.58	20.58
Repairs to machinery	47.65	37.60
Payment to labour contractor	155.00	147.34
Other Manufacturing and Operating expenses	38.66	37.18
Total (A)	**1,087.77**	**969.23**

Note-23 **(b) Other expenses**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Insurance	10.84	9.83
Repairs & Maintenance Others	12.83	8.43
Rates and Taxes	3.62	2.06
Advertisement Expenses	-	0.03
Freight, Octroi, etc	16.41	9.57
Legal and Professional Expenses	15.38	9.59
IT outsourced Support Services	11.99	11.53
Travelling & Conveyance	5.15	4.58
Net loss on disposal / discard of property,plant and equipment	6.81	-
Net loss on foreign exchange fluctuations	6.87	4.71
Security Charges	21.85	16.53
Miscellaneous Expenses	44.98	37.71
Total (B)	**156.73**	**114.57**
Total (A + B)	**1,244.50**	**1,083.80**

Note-23 **(c) Details of Auditor's remuneration included in Legal and Professional expenses (net of credit of taxes)**

	Year ended 31st March, 2023	Year ended 31st March, 2022
a. Audit Fees	2.50	2.50
b Reimbursement of out-of-pocket expenses	-	-
Total	**2.50**	**2.50**

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 24 (a) : Income Taxes

Tax expense recognised in the Statement of Profit and Loss

	Year ended 31st March, 2023	Year ended 31st March, 2022
Current tax		
Current tax on taxable income for the year	-	22.98
Total current tax	**-**	**22.98**
Deferred tax		
Deferred tax charge/(credit)	(10.38)	0.13
Total deferred tax	**(10.38)**	**0.13**
Total tax expense	**(10.38)**	**23.11**

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

Reconciliation of effective tax rate	Year ended 31st March, 2023	Year ended 31st March, 2022
Profit before tax	**(41.29)**	**111.14**
Applicable income tax rate	**25.17%**	**25.17%**
Tax Expense at applicable income tax rate	**(10.38)**	**27.97**
Differential tax rate in respect of capital gains	-	(6.36)
Others	-	1.50
Tax Expense Recognised in Statement of Profit and Loss	**(10.38)**	**23.11**

Consequent to reconciliation items shown above, the effective tax rate is 25.17% (2021-22:20.80%)

Note 24 (b) : The movement in deferred tax assets and liabilities during the year ended March 31, 2022 and March 31, 2023

	As at 31st March, 2021	Credit/(charge) in statement of Profit and Loss	As at 31st March, 2022	Credit/(charge) in statement of Profit and Loss	As at 31st March, 2023
Deferred tax assets on account of:					
Amounts allowable for tax purpose on payment basis	20.36	1.10	21.46	0.54	22.00
Unabsorbed depreciation and unused tax losses	-	-	-	6.55	6.55
Deferred tax (liabilities) on account of:					
Property plant and equipment and Right of Use Assets	(22.09)	(4.43)	(26.52)	(1.39)	(27.91)
Fair value gain on financial assets at FVPL (net)	(3.20)	3.20	-	-	-
Total	**(4.93)**	**(0.13)**	**(5.06)**	**5.70**	**0.64**

Note 24 (c): Non Current Tax Assets (Net)

	As at 31st March, 2023	As at 31st March, 2022
Non Current tax assets (net of provision of Rs. 647.19 Lakhs (March 31, 2022: Rs. 647.17 Lakhs)	66.38	43.15
	66.38	**43.15**

Note 25: 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, 2023 amount recognised in the financial statements in respect of Employee Benefit Schemes:

A. Balance Sheet

	Gratuity	
	As at 31st March, 2023	**As at 31st March, 2022**
Present value of plan liabilities	(242.50)	(231.44)
Fair value of plan assets	249.15	236.38
Net plan assets / (liabilities) *	**6.65**	**4.94**

*Surplus of assets over liabilities has not been recognised on the basis that future economic benefits are not available to the Company in the form of a reduction in future contributions or cash refunds.

B. Movements in plan assets and plan liabilities

	As at 31st March, 2023			As at 31st March, 2022		
	Plan liabilities	**Plan Assets**	**Net**	**Plan liabilities**	**Plan Assets**	**Net**
As at beginning of the year	**(231.44)**	**236.38**	**4.94**	**(229.21)**	**165.48**	**(63.73)**
Current service cost (including past service cost)	(17.23)	-	(17.23)	(18.36)	-	(18.36)
Interest (cost) / income	(17.01)	17.37	0.36	(15.95)	11.52	(4.43)
Remeasurements:						
Return on plan assets excluding actual return on plan asset	-	(1.07)	(1.07)	-	(0.34)	(0.34)
Gain/(loss) arising from changes in financial assumptions	6.06	-	6.06	10.39	-	10.39
Gain/(loss) arising from experience adjustments	13.59	-	13.59	17.75	-	17.75
Actuarial Gains / (loss) arising from changes in demographic assumptions	-	-	-	(0.07)	-	(0.07)
Employer contributions	-	-	-	-	63.73	63.73
Benefit Paid from the Fund	3.53	(3.53)	-	4.01	(4.01)	-
As at end of the year	**(242.50)**	**249.15**	**6.65**	**(231.44)**	**236.38**	**4.94**

The liabilities are split between different categories of plan participants as follows:
- Active members - 171 (2021-22: 176)
- Deferred members - Nil (2021-22: Nil)
- Retired members - Nil (2021-22: Nil)

The weighted average duration of the defined benefit obligation is 19 years (2021-22 : 19 years)

C. The Company expects to contribute Rs 9.99 lakh to the funded plans in financial year 2022-23 (2021-22: Rs. 12.29 lakh) for gratuity

D. Statement of Profit and Loss

	Year ended 31st March, 2023	**Year ended 31st March, 2022**
Employee Benefit Expenses:		
Current service cost (including past service cost)	17.23	18.36
Interest cost / (Income)	(0.36)	4.43
Asset / (Liability) recognised in Balance sheet *	1.71	4.94
Net impact on the Profit / (Loss) before tax	**18.58**	**27.73**

*Surplus of assets over liabilities has not been recognised on the basis that future economic benefits are not available to the Company in the form of a reduction in future contributions or cash refunds.

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

	Year ended 31st March, 2023	Year ended 31st March, 2022
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding actual return on plan asset	(1.07)	(0.34)
Actuarial gains/(losses) arising from changes in demographic assumptions	-	(0.07)
Actuarial gains / (losses) arising from changes in financial assumptions	6.06	10.39
Actuarial gains / (losses) arising from experience adjustments	13.59	17.75
Net impact on the Other Comprehensive Income before tax	**18.58**	**27.73**

E. Assets

	Gratuity	
	As at 31st March, 2023	As at 31st March, 2022
Insurer managed fund	249.15	236.38
Total	**249.15**	**236.38**

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, 2023	As at 31st March, 2022
Financial Assumptions		
Discount rate	7.50%	7.35%
Salary Escalation Rate	7.50%	7.50%
Attrition rate	2.00%	2.00%
Return on plan assets	7.50%	7.35%

Demographic Assumptions
Mortality in Service : Indian Assured Lives Mortality 2012-14 (Urban)

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

	As at 31st March, 2023			As at 31st March, 2022		
	Change in assumption	Increase in assumption having an impact on present value of plan liability	Decrease in assumption having an impact on present value of plan liability	Change in assumption	Increase in assumption having an impact on present value of plan liability	Decrease in assumption having an impact on present value of plan liability
Discount rate	1%	(35.93)	44.28	1%	(35.45)	44.04
Salary Escalation Rate	1%	43.83	(36.23)	1%	43.52	(35.71)
Attrition rate	1%	(0.01)	0.01	1%	(0.66)	0.77

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

H. The defined benefit obligations shall mature after period end 31st March, 2023 as follows:

Gratuity :	As at 31st March, 2023	As at 31st March, 2022
1st Year	7.00	4.82
2nd Year	5.46	6.78
3rd Year	5.77	5.35
4th Year	6.11	5.66
5th Year	6.47	5.99
After 6th Year	979.77	961.54

Risk Exposure

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset Volatility risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. These are subject to interest rate risk and the fund manages interest rate risk to an acceptable level.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(ii). Compensated absences

The leave obligations cover the Company's liability for sick and earned leave determined by an independent actuary based on assumptions referred to in G above

The amount of the provision of Rs.39.89 lakhs (31st March, 2022 - Rs.40.24 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. 44.08 lakhs (31st March, 2021 - Rs. 40.08 lakhs).

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

Note-26 : Earnings per share

		Year ended 31st March, 2023	Year ended 31st March, 2022
Basic & Diluted			
Profit for the year	A	(30.91)	88.03
Weighted average number of shares (in numbers)	B	8,054,372	8,054,372
Basic & diluted earning per share (Rs.)	A/B	(0.38)	1.09
Nominal value per equity share (in Rs.)		10.00	10.00

Note-27: Assets given as security

The carrying amounts of assets provided as security for current borrowings against Limit sanctioned are:

	As at 31st March, 2023	As at 31st March, 2022
Current Assets		
First Charge		
Inventories	239.89	270.00
Trade receivables	26.75	151.88
Total Current assets given as security	**266.64**	**421.88**
Non-Current Assets		
Second Charge		
Property,Plant & Equipment	599.18	616.76
Total Non-Current Assets given as Security	**599.18**	**616.76**
Total Assets given as security	**865.82**	**1,038.64**

Note:
1) There are no borrowings outstanding at each year end. However, during the year, the Company has utilised the Cash Credit facility for which quarterly statements were filed with the bank and such statements are in agreement with the books of accounts in respect of both years referred above and there are no material discrepancies found.

Note 28: Contingent liabilities (to the extent not provided for)

	As at 31st March, 2023	As at 31st March, 2022
Contingent Liabilities		
Claims against the Company not acknowledged as debts in respect of:		
Indirect tax matters		
- Sales tax	-	48.15

Other Matter
The Supreme Court of India, through a ruling in February 2019, provided guidelines for interpreting the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. There is significant uncertainty and ambiguity in interpreting and giving effect to the guidelines of Supreme Court. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the Supreme Court Order. The Company will evaluate its position and act as clarity emerges on impact of the ruling.

The amounts shown in respect of above items represent the best possible estimates arrived at on the basis of available information. The timing of future cash flows will be determinable only on receipt of judgements / decisions pending with various forums / authorities.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

Note 29: 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, 2023	As at 31st March, 2022
Property, plant and equipment	36.17	64.21
Less: Capital advances	5.00	25.35
Property, plant and equipment (Net of capital advances)	**31.17**	**38.86**

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-30 : Fair Value measurement

Financial instruments by category

	As at March 31, 2023		As at March 31, 2022	
	FVPL	Amortised Cost	FVPL	Amortised Cost
Financial Assets				
Other Financial Assets	-	2.58	-	2.70
Trade receivable	-	692.06	-	714.38
Cash and Cash Equivalents	-	25.65	-	70.46
	-	**720.29**	**-**	**787.54**
Financial Liabilities				
Trade Payables	-	180.81	-	147.50
Other financial liabilities	-	115.29	-	237.60
	-	**296.10**	**-**	**385.10**

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 (other than derivative), trade payable and other current financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments..
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty.Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.
For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair value.

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

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

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-31 : Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The company financial risk management is set by the Managing Board. The policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls are monitored by higher authorities and approved by senior management. This note explains the sources of risk which the company is exposed to and how the Company manages the risk and the related impact in the financial statements.

A) Market Risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The company ensures optimization of cash through fund planning and robust cash management practices.

a) Foreign currency risk
The Company operates internationally and portion of the business is transacted in foreign currency and consequently the Company is exposed to foreign exchange risk through its sales in overseas.

As of the Balance Sheet date, the company's net foreign currency exposures that are not hedged in trade receivables by a derivative instrument or otherwise is Euro 0.03 million (31st March, 2022: Euro 0.17 million) and corresponding equivalent amount in INR -Rs 26.75 lakhs (31st March, 2022: Rs 151.87 lakhs).

Foreign Currency Risk Sensitivity
A change of 5% in Foreign currency would have following Impact on profit before tax

	2022-2023		2021-2022	
	5% Increase	5% decrease	5% Increase	5% decrease
EURO	1.32	(1.32)	7.62	(7.62)
Increase / (decrease) in profit or loss	1.32	(1.32)	7.62	(7.62)

b) Credit risk
Credit risk is the risk that a counterparty fails to discharge its obligation to the Company.
The Company is exposed to credit risk from its operating activities (primarily trade receivables), security deposit and from its investing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalents
Credit risk related to cash and cash equivalents is managed by accepting highly rated banks. Management does not expect any losses from non-performance by these counterparties.

Other financial assets measured at amortized cost
Other financial assets measured at amortized cost includes other receivables. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. The expected credit loss on these financial instruments is expected to be insignificant.

Trade and other receivables
The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no provision is considered necessary.

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

Note-31 : Financial Risk Management

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, 2023	As at 31st March, 2022
Floating rate		
Expiring within one year (Cash credit facility)	200.00	200.00
Total	**200.00**	**200.00**

The bank cash credit facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

Maturity patterns of other Financial Liabilities

	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
As at 31st March 2023					
Trade Payable	167.45	4.49	8.87	-	180.81
Employee benefits payable	43.93	-	49.11	-	93.04
Other payables & Capital Creditors	22.25	-	-	-	22.25
Total	233.63	4.49	57.98	-	296.10

	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
As at 31st March 2022					
Trade Payable	142.03	1.08	4.39	-	147.50
Employee benefits payable	160.60	-	46.57	-	207.17
Other payables & Capital Creditors	22.84	-	7.59	-	30.43
Total	325.47	1.08	58.55	-	385.10

Note-32 : Capital risk management

(a) Risk Management

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

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

The Company's policy is to maintain a stable and strong capital structure with focus on total equity so as to maintain stakeholder confidence and to sustain future development and growth of its business. The company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The company's management monitors the return on capital as well as the level of dividends to shareholders.

The Company monitors the gearing ratio to evaluate debt leveraging and to ensure debts are maintained at the

The gearing ratio were as follows:

	As at 31st March, 2023	As at 31st March, 2022
Net Debt *	(25.65)	(70.46)
Total Equity	1,341.53	1,358.54
Net Debt to total equity	-1.91%	-5.19%

* Net Debt is derived by netting Total Borrowings by Current Investment and Cash and Bank Balances.Negative amounts represent excess of cash and bank balance over borrowings.

(b) Dividend

During the current year, the Company has not declared and paid any dividend.During the previous year, the Company had declared interim dividend for the financial year 2021-22 of Rs.18 per equity share (face value Rs.10 per share) amounting to Rs.1,449.79 lakhs which was approved by the Board of Directors of Company in its meeting held on October 21, 2021.

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-33 : Net Debt

Net Debt Reconciliation	As at 31st March, 2023	As at 31st March, 2022
Cash and cash equivalents	(25.65)	(70.46)
Liquid investments	-	-
Current Borrowings	-	-
Net Debt	**(25.65)**	**(70.46)**

	Cash and Cash Equivalent	Liquid Investment	Current Borrowing	Total
Net Debt as at April 01, 2021	**52.54**	**143.17**	**-**	**(195.71)**
Cash flows	17.92	(156.93)	-	139.01
Net gain on sale / fair valuation of investments	-	13.76	-	(13.76)
Interest expense	-	-	0.23	0.23
Interest paid	-	-	(0.23)	(0.23)
Net Debt as at March 31, 2022	**70.46**	**-**	**-**	**(70.46)**
Cash flows	(44.81)	-	-	44.81
Interest expense	-	-	0.20	0.20
Interest paid	-	-	(0.20)	(0.20)
Net Debt as at March 31, 2023	**25.65**	**-**	**-**	**(25.65)**

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 34 : Related parties disclosures as per Ind AS 24

1.Relationship

Related parties where control exists, irrespective of whether transaction has occurred or not:

a. Ultimate Holding Company
Raymond Limited

b. Holding Company
JK Files & Engineering Limited (Formerly known as JK Files (India) Limited)

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

c.Fellow Subsidiary of Holding Company
Raymond Apparel Limited (RAL)

d. Entities over which Ultimate Holding Company exercises significant influence
i) Ray Global Consumer Trading Limited (Ray Global)
ii) Raymond UCO Denim Private Limited (R-UCO)

e.Other significant influence
Novalias SAS, France (Formerly known as MOB Mondellin SAS)

f. Key Management Personnel
i) Non executive Director - Mr. Arnaud Moulin
ii) Non executive Director - Mr. Srinivasan Subramanian Ganapathy (Upto 8th September, 2022)
iii) Non executive Director - Mr. Hukumchand Chandratan Lakhotiya
iv) Non executive Director - Mr. Pravin Mohire (W.e.f. 8th September, 2022)

g.Trust
JK Talabot Limited - Employees Gratuity Scheme (JKTL Trust)

Transactions carried out with related parties referred in 1 above:

Nature of Transactions	As at 31st March, 2023							As at 31st March, 2022						
	Raymond Ltd	J K Files & Engineering Ltd	NOVALIA SAS FRANCE	RAL	R-UCO	Ray Global	JKTL Trust	Raymond Ltd	J K Files & Engineering Ltd	MOB Mondellin SAS	RAL	R-UCO	Ray Global	JKTL Trust
Sales:														
Sale of products	-	2,673.39	317.00	-	-	-	-	-	2,215.99	582.59	-	-	-	-
Sale of licences/Certificates	-	2.13	-	-	-	-	-	-	2.65	-	-	-	-	-
Purchases:-														
Purchase of property,plant and equipment	-	-	-	-	-	-	-	-	4.19	-	-	-	-	-
Purchase of raw material	-	906.97	-	-	-	-	-	-	925.53	-	-	-	-	-
Reimbursement of expenses:-														
Salaries, wages, bonus, etc	0.85	10.74	-	-	-	-	-	0.81	9.96	-	-	-	-	-
Legal and Professional Expenses	0.37	-	-	-	-	-	-	0.61	-	-	-	-	-	-
Workmen and Staff welfare expenses	2.15	-	-	-	-	-	-	2.43	-	-	-	-	-	-
Insurance	2.80	-	-	-	-	-	-	2.48	-	-	-	-	-	-
Miscellaneous Expenses	-	2.17	-	-	-	-	-	-	-	-	-	-	-	-
Other Transaction:-														
Inter Corporate loan repayment received *	-	-	-	-	-	-	-	-	-	-	300.00	1,000.00	10.00	-
Interest received on inter company loan	-	-	-	-	-	0.09	-	-	-	-	12.58	41.92	0.80	-
Paid to trust - Employees Gratuity fund contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	63.73
Dividend Payout	-	-	-	-	-	-	-	-	1,304.81	144.98	-	-	-	-
Outstanding:-														
Trade Payable	1.01	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Payable	-	-	-	-	-	-	-	-	-	11.26	-	-	-	-
Interest Accrued	-	-	-	-	-	-	-	-	-	-	-	-	0.09	-
Trade Receivables	-	665.31	26.75	-	-	-	-	-	562.50	151.88	-	-	-	-

* Inter corporate deposits were provided to group companies to meet their working capital requirements.
-Transactions were done in ordinary course of business and on normal terms and conditions

JK Talabot Limited
Notes to financial statements for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)
Note 35 : Analytical ratios

Sr.No.	Name of the Ratio	Numerator	Denominator	Unit of measurement	As at 31st March, 2023	As at 31st March, 2022	Variance
1	Current Ratio	Current Assets	Current Liabilities	In times	2.78	2.45	13.36%
2	Debt-Equity Ratio	Total Debts	Total Equity (Equity Share capital + Other equity)	In times	-	-	-
3	Debt Service Coverage Ratio	Earnings available for debt service (Net profit / (loss) after tax + depreciation & amortization + Finance cost)	Finance cost + principle repayment of long term borrowings during the year	In times	159.60	646.00	-75.29%
4	Return on Equity Ratio	Net Profit / (loss) After Tax	Average Shareholder Equity	In percentage	-2.3%	4.3%	-152.75%
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	In times	8.39	7.64	9.86%
6	Trade Receivables turnover ratio	Net sales excluding export incentives	Average Trade Receivables	In times	4.25	4.19	1.46%
7	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	In times	12.85	13.03	-1.43%
8	Net capital turnover ratio	Revenue from operations	Working Capital (Current assets - Current Liabilities)	In times	4.91	4.42	11.06%
9	Net profit ratio	Net Profit / (loss) After Tax	Revenue from operations	In percentage	-1.00%	3.08%	-132.55%
10	Return on Capital employed	Earnings before interest and tax	Capital Employed (Net worth + Deferred tax liability)	In percentage	-3.06%	8.17%	-137.50%
11	Return on investment	Earnings before interest and tax	Average Total Assets	In percentage	-2.35%	4.57%	-151.40%

Reason for variance of more than 25% in above ratios:

1	Debt Service Coverage Ratio	Variation is due to decrease in profitablity.
2	Return on Equity Ratio	Variation is due to decrease in profitablity.
3	Net profit ratio	Variation is due to decrease in profitablity.
4	Return on Capital employed	Variation is due to decrease in profitablity.
5	Return on investment	Variation is due to decrease in profitablity.

Note 36: Additional regulatory information required by Schedule III

(i) Details of benami property held
No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder

(ii) Wilful defaulter
The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies
The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with number of layers of companies
The Company does not have any subsidiaries, associates or joint ventures companies and hence, the question of compliance with number of layers of companies does not arise.

(v) Compliance with approved scheme(s) of arrangements
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Utilisation of borrowed funds and share premium
The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(vii) Undisclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Utilisation of borrowings availed from banks and financial institutions
The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were was taken.

(x) Registration of charges or satisfaction with Registrar of Companies
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xi) Loans or advances to specified persons
There are no loans or advances in the nature of loans outstanding as at March 31, 2023 and March 31, 2022 granted to promoters, directors, key managerial personnels and other related parties, which are repayable on demand or granted without specifying any terms or period of repayment.

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

Note 37 : Segment Information

(i) The Company's business operations falls within a single operating segment of 'Engineering, tools and related components'. Accordingly, the Company is single segment company in terms of its products.

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

	India		Europe		Latin America		Total	
	Current Year	**Previous Year**	**Current Year**	**Previous Year**	**Current Year**	**Previous Year**	**Current Year**	**Previous Year**
(a) Segment Revenue *	2,763.88	2,272.23	317.00	582.59	-	1.49	3,080.88	2,856.31
(b) Carrying cost of segment Non Current Assets **	644.40	671.73	-	-	-	-	644.40	671.73

* Based on location of Customers
** Excluding financial assets and deferred tax assets

(iii) The Company deals with two parties JK Files & Engineering Limited and Novalias SAS, France (Formerly known as MOB Mondellin SAS) who contribute majorly to the revenue. (Refer note 34)

Note 38 : The Financial Statements were authorised for issue by the directors on May 02, 2023.

As per our attached report of even date

For and on behalf of the Board of Directors

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

Arunkumar Ramdas
Partner
Membership Number - 112433

Mumbai
Date: 2nd May, 2023

Hukumchand Lakhotiya
Director
DIN: 09043106

Pravin Mohire
Director
DIN: 07523109

Mumbai
Date: 2nd May, 2023

PASHMINA HOLDINGS LIMITED

ANNUAL REPORT 2022-23

BOARD OF DIRECTORS	:	SHRI S. L. POKHARNA SHRI ARUN AGARWAL SHRI SUBHASH THAKKER
STATUTORY AUDITORS	:	MESSRS. M G M & COMPANY, CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	NEW HIND HOUSE, NAROTTAM MORARJI MARG, BALLARD ESTATE, MUMBAI – 400 001 MAHARASHTRA.

PASHMINA HOLDINGS LIMITED
(CIN: U67120MH1983PLC031734)

DIRECTORS' REPORT

To,
The Members,
PASHMINA HOLDINGS LIMITED

The Directors take pleasure in presenting the Thirty Ninth Annual Report together with Audited Financial Statements for the period ended on March 31, 2023.

1. FINANCIAL SUMMARY AND HIGHLIGHTS OF PERFORMANCE

The company incurred a profit of Rs. 23.93 lacs (Previous Year: Rs. 14.95 lacs). There has been no material change which occurred between the end of the financial year and date of this Report, affecting the financial position of the Company.

2. DIVIDEND

The Directors of your Company did not recommend any dividend to the equity shareholders of the Company for the financial year ended March 31, 2023.

3. RESERVES

Your Company has not transferred any amount to the General Reserves of the Company for the financial year ended March 31, 2023.

4. STATUTORY AUDITOR:

M/s M G M and Company, Chartered Accountants, (Firm Registration No: 117963W / Membership No.104633) are the Statutory Auditors of the Company.

Their appointment as statutory auditor to hold office is valid from the conclusion of the 38th Annual General Meeting of the Company till the conclusion of the 43rd 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 authorised share capital of the Company as on March 31, 2023 stood at Rs. 1,01,00,000 divided into 10,00,000 Equity Shares of Rs. 10/- each and 1000 cumulative preference shares of Rs. 100 each.

The issued, subscribed and paid-up share capital of the Company as on March 31, 2023 stood at Rs. 74,00,000 divided into 7,40,000 Equity Shares of Rs.10/- each.

Further, there had been no change in the authorised, issued, subscribed and paid-up share capital of the Company during the financial year.

As on March 31, 2023, none of the Directors of the Company hold any shares of the Company. During the year under review, the Company has not issued any shares. As on March 31, 2023, none of the Directors of the Company hold any shares in the Company.

7. PUBLIC DEPOSITS

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

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There are no Loans, Guarantees and Investments under the provisions of Section 186 of the Act, accepted or given by the Company.

9. DIRECTORS AND THEIR MEETINGS

In terms of Section 152 of the Act, Shri S. L. Pokharna, Director of the Company, retires by rotation at the ensuing AGM, and being eligible, offers himself for re-appointment. The Board of Directors recommends the re-appointment of Shri S. L. Pokharna.

A Profile of Director to be re-appointed at the ensuing AGM, as required under Secretarial Standard - 2 on General Meetings, is given in the Notice of the ensuing AGM.

The above re-appointment forms a part of the notice of the ensuing AGM and the resolution is recommended for members' approval.

The Board presently consists of following Directors:

S. No.	Name of the Director	Designation
1	Shri Arun Agarwal	Director
2	Shri S. L. Pokharna	Director
3	Shri Subhash Thakker	Director

As per the disclosure received from the directors, none of the directors are disqualified from being appointed as Directors as specified in Section 164(2) of the Act.

During the year, 4 Board Meetings were convened and held. The attendance at the Board Meetings is given below:

Sr. No.	NAME OF DIRECTOR	DATE OF BOARD MEETING			
		13.05.2022	28.07.2022	31.10.2022	31.01.2023
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. <u>COMPLIANCE WITH SECRETARIAL STANDARDS</u>

In terms of Section 118(10) of the Act, the Company is complying with the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by Central Government with respect to Meetings of the Board of Directors and General Meetings.

11. <u>RELATED PARTY TRANSACTIONS</u>

All transactions entered into with Related Parties as defined under the Act, during the FY 2022-23 were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Act. Thus, a disclosure in form AOC - 2 is not required.

12. <u>RISK MANAGEMENT</u>

The Company has adequate risk management measures which are implemented, developed, assessed, reviewed and strengthened from time to time.

13. <u>REPORTING OF FRAUDS</u>

There was no instance of fraud during the period under review which required the Statutory Auditors to report to the Board under Section 143(12) of the Act and the Rules framed thereunder.

14. <u>DIRECTORS' RESPONSIBILITY STATEMENT</u>

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

i. in the preparation of the annual accounts for the year ended March 31, 2023, 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, 2023 and of the profit of the Company for the year ended on that date;
iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the

assets of the company and for preventing and detecting fraud and other irregularities;

iv. the directors have prepared the annual accounts on a going concern basis; and

v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and such systems are adequate and operating effectively.

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

As the Company had no manufacturing activities during the period under review, there were no steps undertaken by the Company and consequently no disclosure is made as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo.

16. ANNUAL RETURN

The Company does not have a website of its own and therefore, the requirement to disclose the web address where the Company shall place a copy of the annual return referred to in sub-section (3) of Section 92 of the Act, is not applicable.

17. PARTICULARS OF EMPLOYEES

The provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2023 are not applicable.

18. MATERIAL CHANGES AND COMMITMENTS

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

19. VIGIL MECHANISM

The Company does not fall under the threshold limit mentioned under Section 177 of the Act and Rule 7 of Companies (Meeting of its Board Powers and Meeting) Rules, 2014. Therefore, the requirement to establish and provide details of the vigil mechanism is not applicable on the Company.

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

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

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

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

22. DISCLOSURES

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

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

23. RESIDUARY DISCLOSURES

During the year under review:

i. no company has become or ceased to be its Subsidiaries, joint ventures or associate Companies. Hence, disclosure under Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is not applicable;
ii. provisions of Section 135 of the Act were not applicable to the Company, hence disclosure under section 134(3)(o) of the Act is not applicable;
iii. the company does not have any Independent Directors, hence disclosure under section 134(3)(d) of the Act is not applicable;
iv. the company does not cover under provisions of 178 of the Act, hence disclosure under section 134(3)(e) of the Act is not applicable;
v. the company does not cover under provisions of Rule 8(4) of the Companies (Accounts) Rules, 2014, hence disclosure under section 134(3)(p) of the Act is not applicable;
vi. the provisions of Section 125(2) of the Act, do not apply as there was no unclaimed dividend in the previous years.
vii. there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable.
viii. the company was not required to maintain the cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act were not applicable for the business activities carried out by the Company.

24. ACKNOWLEDGEMENT

The Directors extend their grateful appreciation for the co-operation, support and valuable guidance received from banks, government and other statutory authorities.

For and on behalf of the Board of
PASHMINA HOLDINGS LIMITED

Sd/-	**Sd/-**
S. L. Pokharna	**Subhash Thakker**
Director	**Director**
DIN: 01289850	**DIN: 07062791**

May 06, 2023
Mumbai

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Pashmina Holdings Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Pashmina Holdings Limited** (the Company), which comprise the Balance sheet as at 31st March, 2023, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023 and its profit, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of Companies Act, 2013 and the rules thereunder and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained in sufficient and appropriate to provide a basis for our opinion.

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibility

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

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

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

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

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

    d) In our opinion, the financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

    e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

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

I. The Company does not have any pending litigations which would impact its financial position.

II. The company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.

III. There have been no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

IV. (a) Management has represented to us that , to the best of its knowledge and belief, and as disclosed in the notes to the accounts no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

V. The Company has not declared or paid any dividend during the year ended 31st March 2023.

3. 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 MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

Sd/-
CA Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: 06/05/2023
UDIN: 23104633BGTYIQ2999

“ANNEXURE A” REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF PASHMINA HOLDINGS LIMITED

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

(i) In respect of Property, Plants and Equipments:

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plants and Equipments and intangible assets.

b) As explained to us, considering the nature of the Property, Plants and Equipments, the same have been physically verified by the management at reasonable intervals during the year as per the verification plan adopted by the company, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us and the records produced to us for our verification, no material discrepancies were noticed on such physical verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

d) As per the information provided to us, the company has not revalued its Property, Plant and Equipments and Intangible assets during the year. Accordingly, paragraph 3(i)(d) of the Order is not applicable.

e) As per the information & explanations and representation given to us by the management, there is no proceedings initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder. Accordingly, reporting under Clause 3(i)(e) of the order is not applicable to the Company

(ii)

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no inventories held in the name of the Company. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.

b) The company has not been sanctioned working capital limits in excess of five crore rupees at any point of time of the year, in aggregate, from banks or financial institutions. Accordingly, paragraph 3(ii)(b) of the order is not applicable.

(iii) According to the information and explanations given to us, the Company has not made investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, paragraph 3(iii) of the order is not applicable.

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

(v) In our opinion, and according to the information and explanations given to us, No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.

(vi) According to the information and explanations given to us, the Central Government under sub-section (1) of Section 148 of the Act has not prescribed maintenance of cost records in respect of the activities carried out by the company.

(vii)

a) According to the information and explanations given to us and on the basis of our examination, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Income Tax, Goods and Service Tax and other material statutory dues as applicable to the Company with the appropriate authorities.

No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at 31st March, 2023 for a period of more than six months from the date they became payable:

b) According to the records of the Company, there are no dues of Income Tax, Goods and Service tax which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination, there is no unrecorded transaction which have been surrendered and disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

(ix)

a) In our opinion and according to the information and explanations given to us, the company has not raised any term loans during the year. Accordingly, reporting under clause 3(ix)(a) of the Order is not applicable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

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

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

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company does not have any subsidiary or associate company as defined under the companies Act, 2013. The company does not hold any investment in any joint venture (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) of the Order is not applicable.

f) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company does not have any subsidiary or associate company as defined under the companies Act, 2013. The company does not hold any investment in any joint venture (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x)

a) According to the information and explanations given to us and on the basis of our examination, the Company has not raised any money by way of initial public offer / further public offer / debt instruments.

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

(xi)

a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us, no whistle blower complains were received by 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.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to appoint internal auditors as per the act and rules made thereunder. Accordingly, reporting under clause 3(xiv) of the Order is not applicable

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

(xvi)

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

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

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

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

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditor during the year and accordingly this clause is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

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

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

For MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

Sd/-
Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: 06/05/2023
UDIN: 23104633BGTYIQ2999

“ANNEXURE B” REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF PASHMINA HOLDINGS LIMITED

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

We have audited the internal financial controls over financial reporting of Pashmina Holdings Limited (“the Company”) as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

Sd/-
Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: 06/05/2023
UDIN: 23104633BGTYIQ2999

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Balance Sheet as at 31st March, 2023

(Amount in Rs lakhs)

Sr. No.	Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Property, Plant and Equipment	2	904.13	904.71
	(b) Financial Assets			
	(i) Investments	3 (a)	43.21	32.70
	(ii) Others financial assets	4	0.71	0.71
2	**Current assets**			
	(a) Financial Assets			
	(i) Investments	3 (b)	425.32	402.48
	(ii) Cash and cash equivalents	5	3.76	5.31
	(b) Assets for Current Tax (Net)		19.44	19.85
	TOTAL ASSETS		**1,396.57**	**1,365.75**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	6 (a)	74.00	74.00
	b) Other equity	6 (b)		
	(i) Reserves & Surplus		1,272.51	1,252.32
	(ii) Other Reserves (OCI)		49.17	38.66
2	**Liabilities**			
	Current liabilities			
	(a) Financial Liabilities			
	(i) Other financial liabilities	7	0.89	0.77
	TOTAL LIABILITIES		**1,396.57**	**1,365.75**

Significant Accounting Policies	1
The accompanying notes are an integral part of the Financial Statements	12-17

As per our Report of even date
For MGM and Company
Chartered Accountants
Firm Reg. No : 117963W

For and on behalf of the Board of Directors

CA Mangesh Katariya
Partner
Membership No. :104633
Place: Pune
Date: 06/05/2023

Subhash Thakker
Director
DIN: 07062791
Place: Mumbai
Date: 06/05/2023

Shantilal Pokharna
Director
DIN: 01289850

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Statement of Profit and Loss for the year ended 31st March, 2023

(Amount in Rs lakhs)

Sr. No.	Particulars	Note No.	Year ended 31st March, 2023	Year ended 31st March, 2022
I	**Other Income**	8	25.96	16.81
	Total Income		**25.96**	**16.81**
II	**Expenses**			
	Depreciation expense	2	0.58	0.58
	Other expenses	9	1.45	1.29
	Total expenses		**2.03**	**1.87**
III	**Profit/(Loss) before tax (I - II)**		**23.93**	**14.95**
IV	**Tax expense**			
	Current tax	10	3.74	2.33
	Prior Period Taxation		0.00	(0.02)
	Sub Total (IV)		**3.74**	**2.32**
V	**Profit/(Loss) after tax for the period (III - IV)**		**20.19**	**12.63**
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		10.51	1.84
	Sub Total (VI)		**10.51**	**1.84**
VII	**Total Comprehensive Income for the year (V+VI)**		**30.70**	**14.47**
VIII	**Earnings per equity share**	11		
	Basic		2.73	1.71
	Diluted		2.73	1.71

Significant Accounting Policies	1
The accompanying notes are an integral part of the Financial Statements	12-17

As per our Report of even date
For MGM and Company
Chartered Accountants
Firm Reg. No : 117963W

For and on behalf of the Board of Directors

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Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Statement of Changes in Equity for the year ended 31st March, 2023

A. Equity Share Capital *(Amount in Rs lakhs)*

Particulars	Amount
Balance as at 31st March, 2021	74.00
Changes in equity share capital during the period	-
Balance as at 31st March, 2022	**74.00**
Changes in equity share capital during the year	-
Balance as at 31st March, 2023	**74.00**

B. Other Equity *(Amount in Rs lakhs)*

Particulars	Reserves & Surplus				(ii) Other Reserves (OCI)	Total (i+ii)
	Securities Premium Reserve	Capital Redemption Reserve	Retained Earnings	(i) Total Reserves & Surplus		
Balance as at 01.04.2021	**650.00**	**0.50**	**589.19**	**1,239.69**	**36.82**	**1,276.51**
Profit for the year	-	-	12.63	12.63	-	12.63
Other Comprehensive Income for the	-	-	-	-	1.84	1.84
Balance as at 31.03.2022	**650.00**	**0.50**	**601.82**	**1,252.32**	**38.66**	**1,290.98**
Profit for the year	-	-	20.19	20.19	-	20.19
Other Comprehensive Income for the	-	-	-	-	10.51	10.51
Balance as at 31.03.2023	**650.00**	**0.50**	**622.01**	**1,272.51**	**49.17**	**1,321.68**

The accompying notes are an intergal part of this standalone financial statements.

As per our Report of even date
For MGM and Company
Chartered Accountants
Firm Reg. No : 117963W

For and on behalf of the Board of Directors

CA Mangesh Katariya
Partner
Membership No. :104633
Place: Pune
Date: 06/05/2023

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Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
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Cash Flow Statement for the year ended 31st March, 2023

(Amount in Rs lakhs)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
A. **Cash Flow arising from Operating Activities:**		
Net Profit before Tax as per Profit and Loss Statement	23.93	14.95
Adjustments for		
Depreciation and Amortization	0.58	0.58
Dividend Income & Fair Valuation	(23.26)	(14.11)
Operating Cash Profit before Working Capital Changes	1.25	1.41
Movement in Working Capital		
Increase/(Decrease) in Trade and Other Payables	0.12	0.53
Cash Inflow from Operations	1.37	1.94
Direct Taxes Refund / (paid) - Net	(3.33)	(2.36)
Net Cash Inflow/(Outflow) in the course of Operating Activities (A)	(1.96)	(0.42)
B. **Cash Flow arising from Investing Activities:**		
Dividend and Income from Mutual Funds	0.42	0.56
Net Cash Inflow/(outflow) in the course of Investing Activities (B)	0.42	0.56
C. Cash Flow arising from Financing Activities:		
Net Cash Inflow/(Outflow) in the course of Financing Activities (C)	-	-
Net Increase (Decrease) in Cash/Cash Equivalents (A + B+C)	(1.54)	0.14
Cash and Cash Equivalents at the beginning of the year	5.31	5.17
Cash/Cash Equivalent at the close of the year	**3.76**	**5.31**

As per our Report of even date
For MGM and Company
Chartered Accountants
Firm Reg. No : 117963W

CA Mangesh Katariya
Partner
Membership No. :104633
Place: Pune
Date: 06/05/2023

For and on behalf of the Board of Directors

Subhash Thakker
Director
DIN: 07062791
Place: Mumbai
Date: 06/05/2023

Shantilal Pokharna
Director
DIN: 01289850

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Notes to the financial statements for the year ended 31st March, 2023

Note :- 2 - Property, Plant and Equipment *(Amount in Rs lakhs)*

Sr. No.	Particulars	Land (freehold)*	Electical Installations	Total
A	**Deemed Cost**			
	Balance as at 1st April 2021	**902.70**	**6.07**	**908.77**
	Additions	-	-	-
	Disposals	-	-	-
	Balance as at 31st March 2022	**902.70**	**6.07**	**908.77**
	Additions	-	-	-
	Disposals	-	-	-
	Balance as at 31st March 2023	**902.70**	**6.07**	**908.77**
B	**Accumulated Depreciation**			
	Balance as at 1st April 2021	**-**	**3.49**	**3.49**
	Additions	-	0.58	0.58
	Disposals	-	-	-
	Balance as at 31st March 2022	**-**	**4.06**	**4.06**
	Additions	-	0.58	0.58
	Disposals	-	-	-
	Balance as at 31st March 2023	**-**	**4.64**	**4.64**
C	**Net Block (A-B)**			
	Balance as at 31st March 2022	**902.70**	**2.00**	**904.71**
	Balance as at 31st March 2023	**902.70**	**1.42**	**904.13**

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Notes to the financial statements for the year ended 31st March, 2023

Note 3 - Financial Assets - Investments

(a) Non-current investments *(Amount in Rs lakhs)*

Particulars	As at 31st March, 2023	As at 31st March, 2022
A. Equity instruments		
Fair value through Other Comprehensive Income		
Quoted		
J.K. Tyre & Industries Limited (27,880 Equity Shares of Rs. 2 each)	43.21	32.70
Total	43.21	32.70

(b) Current investments *(Amount in Rs lakhs)*

Particulars	As at 31st March, 2023	As at 31st March, 2022
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)]	32.22	30.59
Kotak Liquid Fund Direct Plan Growth (Units of Rs. 1000 each) [6163.334 Units (P.Y.- 6163.334 Units)]	280.33	265.21
SBI Liquid Fund Direct Growth(Units of Rs. 1000 each) [3200.593 Units (P.Y.- 3200.593 Units)]	112.77	106.68
Total	**425.32**	**402.48**

Note 4 - Financial Assets - Others financial assets

(Amount in Rs lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non-current Assets		
Considered good		
Security Deposits		
Deposits with others	0.71	0.71
Total	**0.71**	**0.71**

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Notes to the financial statements for the year ended 31st March, 2023

Note 5 - Current assets - Cash and cash equivalents *(Amount in Rs lakhs)*

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with Banks		
In current accounts	3.76	5.31
Total	**3.76**	**5.31**

Note 6 - Equity

(a) Equity Share Capital *(Amount in Rs lakhs)*

Particulars	As at 31st March, 2023	As at 31st March, 2022
Authorised		
1,000 Cumulative Preference Shares of Rs. 100 each	1.00	1.00
10,00,000 Equity Shares of Rs. 10 each	100.00	100.00
Issued, subscribed and fully paid up		
7,40,000 Equity Shares of Rs.10 each	74.00	74.00
	74.00	**74.00**

i)Reconciliation of number of shares *(Amount in Rs lakhs)*

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	7,40,000	74.00	7,40,000	74.00
Add: shares issued during the year	-	-	-	-
Balance as at the end of the year	**7,40,000**	**74.00**	**7,40,000**	**74.00**

ii) Rights, preferences and restrictions attached to shares

Equity shares: The Company has issued only one class of equity shares having face value of Rs. 10/- each. Each Share holder is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity share will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts, if any.

iii) Details of equity shares held by promoters in the Company

Particulars	As at 31st March, 2023	As at 31st March, 2022
Equity Shares of Rs. 10 held by:		
Raymond Limited	7,40,000	7,40,000

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Notes to the financial statements for the year ended 31st March, 2023

Note 6 - Equity

(b) Other Equity *(Amount in Rs lakhs)*

Particulars	Reserves & Surplus				(ii) Other Reserves (OCI)	Total (i+ii)
	Securities Premium Reserve	Capital Redemption Reserve	Retained Earnings	(i) Total Reserves & Surplus		
Balance as at 01.04.2021	**650.00**	**0.50**	**589.19**	**1,239.69**	**36.82**	**1,276.51**
Add : Profit for the year	-	-	12.63	12.63	-	12.63
Add : Other Comprehensive Income for the year	-	-	-	-	1.84	1.84
Balance as at 31.03.2022	**650.00**	**0.50**	**601.82**	**1,252.32**	**38.66**	**1,290.98**
Add : Profit for the year	-	-	20.19	20.19	-	20.19
Add : Other Comprehensive Income for the year	-	-	-	-	10.51	10.51
Balance as at 31.03.2023	**650.00**	**0.50**	**622.01**	**1,272.51**	**49.17**	**1,321.68**

Note 7 - Current Liabilities - Other current financial liabilities *(Amount in Rs lakhs)*

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Provision for Audit Fees	0.54	0.54
(b) Professional Fees Payable	0.16	0.18
(C) Statutory Dues Payable	0.10	0.05
(D) Sundry Creditor Payable	0.09	-
Total	**0.89**	**0.77**

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Notes to the financial statements for the year ended 31st March, 2023

Note 8 - Other income *(Amount in Rs lakhs)*

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Dividend Income on:		
I] Investment measured at FVTPL	-	-
II] Investment measured at FVTOCI	0.42	0.56
Rent and compensation	2.70	2.70
Changes in fair value of FVTPL investments	22.84	13.56
Total	**25.96**	**16.82**

Note 9 - Other expenses *(Amount in Rs lakhs)*

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Auditor's Remuneration	0.59	0.59
Legal and Professional Expenses	0.80	0.65
Bank Charges	0.04	0.03
Interest paid on Income Tax	0.03	0.02
Total	**1.45**	**1.29**

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Notes to the financial statements for the year ended 31st March, 2023

Note 10 : Income Taxes

A. Tax expense recognised in the Statement of Profit and Loss *(Amount in Rs lakhs)*

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Current year	3.74	2.33
Total current tax	**3.74**	**2.33**
Deferred tax		
Origination and reversal of temporary difference	-	-
Total deferred income tax expense/(credit)	**-**	**-**
Total income tax expense/(credit)	**3.74**	**2.33**

B. Reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

Reconciliation of effective tax rate *(Amount in Rs lakhs)*

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Profit before tax	**23.93**	**14.95**
Enacted income tax rate in India	**26.00%**	**26.00%**
Tax at India Income Tax Rate	**6.22**	**3.89**
Differencial in tax due to:		
i) Expenses not deductible for tax purposes		
-Depreciation	0.15	0.15
-Interest on income tax	0.01	0.00
ii) Income exempt from Income taxes		
Dividend Income & changes in fair value of FVTPL investments	(5.94)	(3.52)
iii) Others		
-MAT Credit for the year not recognised due to uncertainty	3.30	1.82
Tax as per Statement of Profit and Loss	**3.74**	**2.33**

The effective tax rate 25% + 4% cess i.e. 26%

Note 11 - Earnings per share *(Amount in Rs lakhs)*

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Earnings Per Share has been computed as under:		
Profit/(Loss) for the year	20.19	12.63
Weighted average number of equity shares outstanding	7.40	7.40
Earnings Per Share (Rs.) - Basic (Face value of Re. 10 per share)	**2.73**	**1.71**

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Notes to the financial statements for the year ended 31st March, 2023

Note - 12 - Financial Risk Management

Liquidity Risk

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

Maturity patterns of other Financial Liabilities

As at 31.03.2023 *(Amount in Rs lakhs)*

Pariculars	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Other Financial Liabilities	-	0.89	-	-	-	0.89
Total	-	0.89	-	-	-	0.89

As at 31.03.2022 *(Amount in Rs lakhs)*

Particulars	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Other Financial Liabilities	-	0.77	-	-	-	0.77
Total	-	0.77	-	-	-	0.77

Pashmina Holdings Limited
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Notes to the financial statements for the year ended 31st March, 2023

Note - 13 - Fair Value Measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

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

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

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

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

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

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

(Amount in Rs lakhs)

Financial Assets and Liabilities as at 31st March'2023	Total Amount			Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
- Equity instruments	43.21	-	43.21	-	-	-	-	43.21	-	-	43.21	-	-	-	-	43.21
- Mutual funds	-	425.32	425.32	425.32	-	-	425.32	-	-	-	-	-	-	-	-	425.32
	43.21	**425.32**	**468.53**	**425.32**	**-**	**-**	**425.32**	**43.21**	**-**	**-**	**43.21**	**-**	**-**	**-**	**-**	**468.53**
Other Assets																
Other Financial Assets	0.71	-	0.71	-	-	-	-	-	-	-		-	-	0.71	0.71	0.71
Cash and Cash equalents	-	3.76	3.76	-	-	-	-	-	-	-		-	-	3.76	3.76	3.76
	43.92	**429.08**	**473.00**	**425.32**	**-**	**-**	**425.32**	**43.21**	**-**	**-**	**43.21**	**-**	**-**	**4.47**	**4.47**	**473.00**
Financial Liabilities																
Trade Payables	-	0.89	0.89	-	-	-	-	-	-	-	-	-	-	0.89	0.89	0.89
	-	**0.89**	**0.89**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.89**	**0.89**	**0.89**

(Amount in Rs lakhs)

Financial Assets and Liabilities as at 31st March'2022	Total Amount			Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
- Equity instruments	32.70	-	32.70	-	-	-	-	32.70	-	-	32.70	-	-	-	-	32.70
- Mutual funds	-	402.48	402.48	402.48	-	-	402.48	-	-	-	-	-	-	-	-	402.48
	32.70	**402.48**	**435.18**	**402.48**	**-**	**-**	**402.48**	**32.70**	**-**	**-**	**32.70**	**-**	**-**	**-**	**-**	**435.18**
Other Assets																
Other Financial Assets	0.71	-	0.71	-	-	-	-	-	-	-	-	-	-	0.71	0.71	0.71
Cash and Cash equalents	-	5.31	5.31	-	-	-	-	-	-	-	-	-	-	5.31	5.31	5.31
	33.41	**407.78**	**441.20**	**402.48**	**-**	**-**	**402.48**	**32.70**	**-**	**-**	**32.70**	**-**	**-**	**6.02**	**6.02**	**441.20**
Financial Liabilities																
Trade Payables	-	0.77	0.77	-	-	-	-	-	-	-	-	-	-	0.77	0.77	0.77

Pashmina Holdings Limited
J.K.BLDG., N.Morarjee Marg, Ballard Estate, Mumbai - 400038
CIN : U67120MH1983PLC031734

Notes to the financial statements for the year ended 31st March, 2023

Note - 13 - Fair Value Measurement

	-	0.77	0.77	-	-	-	-	-	-	-	-	-	-	0.77	0.77	0.77

Pashmina Holdings Limited
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Notes to the financial statements for the year ended 31st March, 2023

Note - 13 - Fair Value Measurement *(Amount in Rs lakhs)*

Particulars	As at 31st March'23		As at 31st March'22	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Investments				
Equity instruments	43.21	43.21	32.70	32.70
Investment in Mutual Fund	425.32	425.32	402.48	402.48
Other Financial Assets	0.71	0.71	0.71	0.71
Cash and Cash equalents	3.76	3.76	5.31	5.31
	473.00	**473.00**	**441.20**	**441.20**
Financial Liabilities				
Trade Payables	0.89	0.89	0.77	0.77
	0.89	**0.89**	**0.77**	**0.77**

Note 14: Contingent liabilities and commitments (to the extent not provided for)

(a) Contingent Liabilities *(Amount in Rs lakhs)*

Particulars	As at 31st March, 2023	As at 31st March, 2022
> Under appeal at High Court	9.74	9.74

(b) Commitments

There were no Capital Commitment as at year end 31.03.2023 (Previous Year: Nil)

Note 15:

On 6 November 2007, the Company had entered into four separate tri-partite agreements with Raymond Limited and each of the four sub-lessees of residential units in JK House (being Dr. Vijaypat Singhania, Mr. Gautam Hari Singhania, Mr. Akshaypat Singhania and Ms. Veenadevi Singhania along with Mr. Anant Singhania, who are considered to be related parties and said agreements were not acted upon. The said tri-partite agreements have been rejected by the shareholders of the Raymond Limited at its meeting dated 5th June 2017.

Dr. Vijaypat Singhania, Mr. Akshaypat Singhania and Ms. Veenadevi Singhania along with Mr. Anant Singhania had initiated the arbitration proceedings against the Raymond Limited in order to secure the specific performance of the tri-partite agreements. In the matter of Mr. Akshaypat Singhania and Ms. Veenadevi Singhania along with Mr. Anant Singhania, Hon Arbitration Tribunal had passed the Award rejecting the claims of specific performance of the claimants including denying other reliefs of claim for damages/compensation in lieu thereof. As regards, the matter of Dr. Vijaypat Singhania, the arbitration proceedings are still pending and yet to be completed.

Pashmina Holdings Limited
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Notes to the financial statements for the year ended 31st March, 2023

Note 16 : Analytical Ratios

Sr. No.	Particulars	Numerator	Denominator	2022-23	2021-22	Variance
1	Current Ratio	Current Assets	Current Liabilities	504.80	557.54	-9.46%
2	Debt-Equity Ratio	Total Debt	Shareholders' Equity	-	-	-
3	Debt Service Coverage Ratio	Earnings available for debt service *	Principal + Interest & Lease payment	-	-	-
4	Return on Equity Ratio	Net Profit after tax	Shareholders' Equity	1.45%	0.94%	53.87%
5	Inventory turnover Ratio	Net Sales	Average Inventory	-	-	-
6	Trade Receivables turnover Ratio	Net Credit Sales	Average Account receivables	-	-	-
7	Trade payables turnover Ratio	Net Credit Purchases	Average Trade Payables	-	-	-
8	Net capital turnover Ratio	Net Sales	Working Capital	-	-	-
9	Net profit Ratio	Net Profit	Net Sales	-	-	-
10	Return on Capital Employed	EBIT	Capital Employed #	2.48%	1.56%	58.67%
11	Return on Investment	Income generated from investments	Time weighted average investments	7.21%	3.67%	96.39%

* Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss sale of fixed asset etc.
# Tangible Net Worth + Total Debt + Deferred Tax Liability

^ The variation in profitability ratios is primarily due to increase in the market value of investments.
~ The variation in Return on Investment is due to fluctuation in rate of market prices.

Notes forming part of financial statements as on 31st March 2023

1. **SIGNIFICANT ACCOUNTING POLICIES:**

Pashmina Holdings Limited is a company limited by shares and incorporated on December 30, 1983. The registered office of the Company is situated at J. K. Bldg., N. Morarjee Marg, Ballard Estate, Mumbai - 400038.

A. Basis of preparation

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. These financial statements for the year ended 31st March 2022 and with comparatives are prepared under Ind AS. 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/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.

C. Investments and other financial assets

1. **Classification**

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

a. those to be measured subsequently at fair value (either through other comprehensive income, through the Statement of Profit and Loss), and
b. 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.

2. **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.
    a. **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:
        i. **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.
        ii. **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.
    b. **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.

3. **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.

4. **Income recognition**
    a. **Interest income:** Interest income from debt instruments is recognised using the effective interest rate method.
    b. **Dividends:** Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

D. Property, plant and equipment

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 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 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 is provided on a Straight-Line Method, over the estimated useful life of assets.

E. 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 convincing evidence to the effect that the company will pay normal income tax during the specified period.

F. 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.

Notes forming part of financial statements as on 31st March 2023

G. 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.

H. Segment Reporting

Based on the management as defined under Ind As 108 'Operating Segment' and as the management evaluates the entire company as one business segment. There are no business to be reported. Further, the company has only other income.

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.

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.

Notes forming part of financial statements as on 31st March 2023

17. NOTES TO ACCOUNTS:

1. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year- end together with interest paid/payable as required under the said Act have not been given.

2. In the opinion of the Board, the Current Assets, Loans and advances have a value on realization in the ordinary course of the business at least equal to the amount at which they are carried in the books and provision for all known and determined liabilities (except otherwise stated) are adequate and not in the excess of the amount reasonably stated.

3. **Other Statutory Information:**
   i) The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
   ii) The Company do not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.
   iii) The Company has not been declared a willful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India
   iv) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
   v) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
   vi) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
      a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
      b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
   vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
   viii) During the current year, the Company does not borrow any fund.

Notes forming part of financial statements as on 31st March 2023

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

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

4. Auditors' Remuneration (Excluding GST) and Expenses:

(Amount in Rs. lakhs)

Particulars	31-03-2023	31-03-2022
Audit Fees	**0.50**	**0.50**

5. The information as required by Accounting Standard 18 relating to 'Related Party Disclosures' is given below:

(A) Name of the related party and description of relationship where control exists:

Name	Relationship
Mr. Shantilal Pokharna	Director
Mr. Arun Agarwal	Director
Mr. Subhash Thakker	Director
Raymond Limited	Holding Company

(B) There were no transactions with related parties during the period.

6. Previous year's figures have been regrouped or rearranged wherever necessary, to confirm to the current year's presentation.

For M G M and Company
Chartered Accountants
FRN: 117963W

Sd/-
CA Mangesh Katariya
(Partner)
Membership no.:104633
Place: Pune
Date: 06/05/2023

For and on behalf of the Board of Directors

Sd/-
Mr. Subhash Thakker
Director
DIN: 07062791
Place: Mumbai
Date: 06/05/2023

Sd/-
Mr. Shantilal Pokharna
Director
DIN: 01289850

RAYMOND APPAREL LIMITED

ANNUAL REPORT 2022-23

BOARD OF DIRECTORS	:	SHRI M.L. BAPNA SHRI SANDEEP MAHESHWARI SHRI ASHISH AGGARWAL
COMPANY SECRETARY	:	MS. PRITI ALKARI
STATUTORY AUDITORS	:	MESSRS. MGM & COMPANY, CHARTERED ACCOUNTANTS
INTERNAL AUDITORS	:	MESSRS. ERNST & YOUNG LLP
REGISTERED OFFICE	:	JEKEGRAM, POKHRAN ROAD NO.1, THANE, MAHARASHTRA- 400606

RAYMOND APPAREL LIMITED
CIN: U18109MH2006PLC262077

Board's Report

To
The Members,

Your Directors are pleased to present the Seventeenth Annual Report together with the Audited Financial Statement of Accounts for the Financial Year ended March 31, 2023.

1. FINANCIAL SUMMARY OF THE COMPANY (STANDALONE)

The Gross Revenue of the Company for Financial Year 2022-2023 stood at Rs. 32.53 Lacs (Previous Year: NIL). The Company incurred Loss of Rs. 140.42 Lacs (Previous Year Loss: Rs. 2698.80 Lacs).

2. DIVIDEND

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

3. RESERVES

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

4. AUDITORS

(a) Statutory Audit

Messrs. MGM & Company, Chartered Accountants (ICAI Firm Registration Number 117963W) are the statutory auditors of the Company for the year ended March 31, 2023. Their appointment as statutory auditor to hold office is valid from the conclusion of the 16th Annual General Meeting of the Company till the conclusion of the 21st Annual General Meeting of the Company.

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

(b) Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s DM & Associates Company Secretaries LLP, a firm of Company Secretaries in Practice (C.P.No.16207) 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 2022-23.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

The Company had entrusted the internal and operational audit to Messrs. Ernst & Young LLP. 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 as on March 31, 2023 was Rs. 601.30 crore. During the year under review, the Company has issued 59,85,45,715 shares on right basis to Raymond Limited. As on March 31, 2023, none of the Directors of the Company hold any shares or instruments convertible into Equity Shares of the Company. Also, 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

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, form part of the notes to the Financial Statements.

9. 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, Mr. Mithulal Shankar Lal Bapna (DIN: 06383502), Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

During the year under review, Mr. Gautam Hari Singhania, Mr. Mahendra Doshi, Mr. Dinesh Lal and Ms. Anshu Sarin resigned from the Board of Directors of the Company with effect from August 3, 2022 and Mr. Gautam Trivedi resigned from the Board of the Company with effect from August 20, 2022. The Board placed on record its appreciation and gratitude for the contributions made by them during their tenure as Directors of the Company.

Based on the recommendations of the Nomination and Remuneration Committee, Mr. M. L. Bapna, Mr. Sandeep Maheshwari and Mr. Ashish Aggarwal were appointed as the Directors of the Company with effect from August 3, 2022.

During the year, six Board meetings were held on May 14, 2022, July 18, 2022, August 3, 2022, November 1, 2022, January 13, 2023 and January 31, 2023.

Sr. No	Name of Director	Date of Board Meeting					
		14.05.2022	18.07.2022	03.08.2022	01.11.2022	13.01.2023	31.01.2023
1	Mr. Gautam Hari Singhania*	√	√	√	NA	NA	NA
2	Ms. Anshu Sarin*	√	√	√	NA	NA	NA
3	Mr. Gautam Trivedi* *	√	√	√	NA	NA	NA
4	Mr. Mahendra V. Doshi*	√	LOA	√	NA	NA	NA
5	Mr. Dinesh Lal*	√	√	√	NA	NA	NA
6	Mr. M. L. Bapna***	NA	NA	NA	√	√	√
7	Mr. Sandeep Maheshwari***	NA	NA	NA	√	√	√
8	Mr. Ashish Aggarwal***	NA	NA	NA	√	√	√

* With effect from August 3, 2022, Mr. Gautam Hari Singhania, Mr. Mahendra Doshi, Mr. Dinesh Lal and Ms. Anshu Sarin ceased to be Directors of the Company

** With effect from August 20, 2022, Mr. Gautam Trivedi ceased to be Director of the Company.

*** With effect from August 3, 2022, Mr. M. L. Bapna, Mr. Sandeep Maheshwari and Mr. Ashish Aggarwal were appointed as the Directors of the Company.

B. KEY MANAGERIAL PERSONNELS (KMPs)

As on March 31, 2023, your Company has the following KMPs:

Sr. No.	Name of the Person	Designation	Date of Appointment
1.	Mr. Srinivasan Ganpathy Subramanian	Chief Financial Officer	January 13, 2023
2.	Mr. Sunil Sonawane	Manager	January 13, 2023
3.	Ms. Priti Alkari	Company Secretary	February 15, 2011

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 Directors express their satisfaction with the evaluation process.

10. 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:

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 Committee till August 3, 2022 consisted of 3 (three) members, Ms. Anshu Sarin, Chairperson, Mr. Mahendra V. Doshi and Mr. Dinesh Lal as members of the Committee.

As on March 31, 2023, the Committee consisted of 3 (three) members, Mr. M. L. Bapna as the Chairperson, Mr. Sandeep Maheshwari and Mr. Ashish Aggarwal as members of the Committee.

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 Committee till August 3, 2022 consisted of 3 (three) members, Mr. Gautam Hari Singhania, Chairperson, Mr. Gautam Trivedi and Mr. Anshu Sarin as members of the Committee.

As on March 31, 2023, the Committee consisted of 3 (three) members, Mr. Ashish Aggarwal as the Chairperson, Mr. Sandeep Maheshwari and Mr. M. L. Bapna as members of the Committee.

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, no meeting of Committee of Board was held.

Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rule, 2014, the Audit Committee was constituted, which got dissolved with effect from August 3, 2022.

The Composition of the Committee was as under:

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

During the year under review, two Audit Committee meetings were held on May 14, 2022 and August 3, 2022. Attendance of Directors at the Audit Committee Meetings is given below:

Sr. No.	Name of Director	Date of Meeting	
		14.05.2022	03.08.2022
1	Mr. Mahendra Doshi	√	√
2	Mr. Gautam Trivedi	√	√
3	Mr. Dinesh Lal	√	√

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. During the year under review the Committee got dissolved with effect from August 3, 2022.

The Composition of the Committee was as under:

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

During the year, 1 meeting of Nomination and Remuneration Committee was held on August 3, 2022.

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

Sr. No.	Name of Director	Date of Meeting
		03.08.2022
1	Mr. Dinesh Lal, Chairman	√
2	Shri Gautam Trivedi	√
3	Shri Mahendra Doshi	√

11. 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.

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. 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.

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.

14. DIRECTORS RESPONSIBILITY STATEMENT

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

a. that in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b. that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and 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

As per Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and relevant Rules, as amended from time to time, every company is required to place a copy of the annual return on the website of the Company, if any, and the web-link of such annual return shall be disclosed in the Board's report. Since the Company does not have a website, the said provision is not applicable to the Company.

17. 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.

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, 2023 is not applicable.

19. 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.

20. ACKNOWLEDGEMENT

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

For and on behalf of the Board of
RAYMOND APPAREL LIMITED

	Sd/-	**Sd/-**
Place: Thane	**Mithulal Shankar Lal Bapna**	**Ashish Aggarwal**
Date: May 5, 2023	**Director**	**Director**
	DIN: 06383502	**DIN: 09231011**

DM & ASSOCIATES COMPANY SECRETARIES LLP

(LLPIN NO. AAI-4743)

[Firm Registration No: L2017MH003500] [Peer Review Certificate: 758/2020]

REGD. OFFICE: # 205, NADIADWALA MARKET, PODDAR ROAD, MALAD (EAST), MUMBAI-400097

Tel No. 022-28443641 Email: dmassociatesllp@gmail.com

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, 2023

To,
The Members,
RAYMOND APPAREL LIMITED
Jekegram, Pokhran Road No.1, Thane
Thane MH 400606 IN

Dear Members,

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 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, 2023, 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, 2023 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder: **NA**;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
4. The provisions of 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: **NA**;
5. Provisions of Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the Audit Period.

We further report that based on the compliance certificates issued by its officers and taken on record by the Board of Directors at their meeting(s) we are of the opinion that there are adequate systems and mechanism in place which are commensurate with the size and operations of the Company to monitor and ensure the compliances of the general laws, rules, regulations and guidelines made there under and also to monitor and ensure the compliances of the following laws specifically applicable to the Company. Further, for Income Tax laws and financial laws we have relied on the statutory audit report of the statutory auditors issued in this behalf:

i. Competition Act, 2002;
ii. Consumer Protection Act, 1986; and
iii. 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.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Director and Non - Executive 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 for meeting convened under shorter notice were in compliance with section 173(3) of the Companies Act, 2013 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting

Majority decision is carried through while there were no dissenting members' views which are to be captured and recorded as part of the minutes.

We further report that during the audit period following specific events took place:

Rights Issue:
The Board of Directors at their meeting held on July 18, 2022 issued 59,85,45,715 (Fifty Nine Crores Eighty Five Lakh Forty Five thousand Seven Hundred and Fifteen Only) Equity shares of Rs. 10 each at par aggregating to Rs.5,98,54,57,150/- (Rupees Five Hundred Ninety Eight Crores Fifty Four Lakhs Fifty Seven Thousand One Hundred and Fifty only) to the existing shareholders of the Company on rights basis.

Termination of ESOP Scheme:
The Members at their 16th Annual General Meeting held on July 12, 2022 by passing ordinary resolution approved the termination of its existing ESOP Scheme i.e. Raymond Apparel Limited – Employees Stock Option Plan, 2018.

For DM & Associates Company Secretaries LLP
Company Secretaries
ICSI Unique Code L2017MH003500

Sd/-
Dinesh Kumar Deora
Partner
FCS NO 5683
CP NO 4119
UDIN: F005683E000258342
Place: Mumbai
Date: May 05, 2023

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.

DM & ASSOCIATES COMPANY SECRETARIES LLP

(LLPIN NO. AAI-4743)

[Firm Registration No: L2017MH003500] [Peer Review Certificate: 758/2020]

REGD. OFFICE: # 205, NADIADWALA MARKET, PODDAR ROAD, MALAD (EAST), MUMBAI-400097

Tel No. 022-28443641 Email: dmassociatesllp@gmail.com

ANNEXURE - I

To
The Members,
RAYMOND APPAREL LIMITED
Jekegram, Pokhran Road No.1, Thane
Thane MH 400606 IN

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
ICSI Unique Code L2017MH003500

Sd/-
Dinesh Kumar Deora
Partner
FCS NO 5683
CP NO 4119
UDIN: F005683E000258342

Place: Mumbai
Date: May 05, 2023

Annexure B

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

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

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

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Raymond Apparel Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Raymond Apparel Limited** (the Company), which comprise the Balance sheet as at 31st March, 2023, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023 and its profit, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of Companies Act, 2013 and the rules thereunder and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained in sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention regarding the appropriateness or otherwise of the preparation of these accounts on a going concern basis as the net worth of the Company have been completely eroded as at March 31, 2023. In our opinion, the validity for the going concern basis would depend upon the induction of funds by the present promoters as and when need arises. These financial statements do not include adjustments that would result from non-funding by the present promoters. Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibility

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

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

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

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Other Matter

The financial statements of the Company for the financial year ended 31st March, 2022 were audited by another auditor who expressed an unqualified opinion on those financial statements, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the standalone financial statements. Our audit report is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

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

   d) In our opinion, the financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

   e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”; and

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

I. The Company does not have any pending litigations which would impact its financial position.

II. The company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.

III. There have been no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

IV. (a) Management has represented to us that , to the best of its knowledge and belief, and as disclosed in the notes to the accounts no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

V. The Company has not declared or paid any dividend during the year ended 31st March 2023.

3. 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 MGM and Company
Chartered Accountants
Firm Registration No. 117963W

Sd/-
CA Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: 05/05/2023
UDIN: 23104633BGTYIT9002

"ANNEXURE A" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF RAYMOND APPAREL LIMITED

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

(i) In respect of Property, Plants and Equipments:

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plants and Equipments and intangible assets.

b) As explained to us, considering the nature of the Property, Plants and Equipments, the same have been physically verified by the management at reasonable intervals during the year as per the verification plan adopted by the company, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us and the records produced to us for our verification, no material discrepancies were noticed on such physical verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company, except as disclosed in note 23 of the financial statements.

d) As per the information provided to us, the company has not revalued its Property, Plant and Equipments and Intangible assets during the year. Accordingly, paragraph 3(i)(d) of the Order is not applicable.

e) As per the information & explanations and representation given to us by the management, there is no proceedings initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder. Accordingly, reporting under Clause 3(i)(e) of the order is not applicable to the Company

(ii)

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no inventories held in the name of the Company. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.

b) The company has not been sanctioned working capital limits in excess of five crore rupees at any point of time of the year, in aggregate, from banks or financial institutions. Accordingly, paragraph 3(ii)(b) of the order is not applicable.

(iii) According to the information and explanations given to us, the Company has not made investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, paragraph 3(iii) of the order is not applicable.

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

(v) In our opinion, and according to the information and explanations given to us, No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.

(vi) According to the information and explanations given to us, the Central Government under sub-section (1) of Section 148 of the Act has not prescribed maintenance of cost records in respect of the activities carried out by the company.

(vii)

a) According to the information and explanations given to us and on the basis of our examination, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Income Tax, Goods and Service Tax and other material statutory dues as applicable to the Company with the appropriate authorities.

No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at 31st March, 2023 for a period of more than six months from the date they became payable:

b) According to the records of the Company, there are no dues of Income Tax, Goods and Service tax which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination, there is no unrecorded transaction which have been surrendered and disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

(ix)

a) In our opinion and according to the information and explanations given to us, the company has not raised any term loans during the year. Accordingly, reporting under clause 3(ix)(a) of the Order is not applicable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

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

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

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company does not have any subsidiary or associate company as defined under the companies Act, 2013. The company does not hold any investment in any joint venture (as defined under the Act) during the year ended 31st March, 2023. Accordingly, clause 3(ix)(e) of the Order is not applicable.

f) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company does not have any subsidiary or associate company as defined under the companies Act, 2013. The company does not hold any investment in any joint venture (as defined under the Act) during the year ended 31st March, 2023. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x)

a) According to the information and explanations given to us and on the basis of our examination, the Company has not raised any money by way of initial public offer / further public offer / debt instruments.

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

(xi)

a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us, no whistle blower complains were received by 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.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to appoint internal auditors as per the act and rules made thereunder. Accordingly, reporting under clause 3(xiv) of the Order is not applicable.

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

(xvi)

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

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

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

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

(xvii) The Company has incurred any cash losses during the financial year and in the immediately preceding financial year amounting to Rs. 138.74 Lakhs and Rs. 2697.12 Lakhs respectively covered under our audit.

(xviii) There has been no resignation of the statutory auditor during the year and accordingly this clause is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

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

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

For MGM and Company
Chartered Accountants
Firm Registration No. 117963W

Sd/-
Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: 05/05/2023
UDIN: 23104633BGTYIT9002

“ANNEXURE B” REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF RAYMOND APPAREL LIMITED

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

We have audited the internal financial controls over financial reporting of Raymond Apparel Limited (“the Company”) as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MGM and Company
Chartered Accountants
Firm Registration No. 117963W

Sd/-
Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: 05/05/2023
UDIN: 23104633BGTYIT9002

Raymond Apparel Limited
Jekegram, Pokhran Road No. 1, Thane - 400606 (Maharashtra)
CIN: U18109MH2006PLC262077

Balance Sheet as at March 31, 2023 **(Rs. in lakhs, unless otherwise stated)**

	Particulars	Note	As at March 31, 2023	As at March 31, 2022
I	**ASSETS**			
1	**Non-current Assets**			
	a) Property, Plant & Equipment	2	109.67	111.35
	b) Asset for income tax (net)		3.51	-
2	**Current assets**			
	Financial assets			
	Cash and cash equivalents	3	29.99	31.13
	TOTAL ASSETS		**143.17**	**142.48**
II	**EQUITY AND LIABILITIES**			
1	**Equity**	4		
	a) Equity Share capital		60,102.89	248.32
	b) Other equity		(60,205.98)	(60,065.56)
2	**Liabilities**			
	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Other Financial Liabilities	5	21.48	-
	(ii) Borrowings-Quasi Equity	6	-	59,937.22
	Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables	7		
	(A) total outstanding dues of micro & small enterprises		-	-
	(B) total outstanding dues of creditors other than micro & small enterprises		2.09	22.00
	(ii) Other financial liabilities	8	0.82	-
	(b) Other current liabilities	9	221.01	-
	(c) Short term provisions	10	0.86	0.50
	TOTAL EQUITY AND LIABILITIES		**143.17**	**142.48**

Statement of significant accounting Policies 1
The accompanying notes form an integral part of the Financial Statements

For M G M & Company
Chartered Accountants
Firm Reg. No. 0117963W

Sd/-
Mangesh Katariya
Partner
Membership No : 104633
Place : Pune
Date : 05/05/2023

For and on behalf of the Board of Directors

Sd/-
Mithulal Bapna
Director
DIN : 06383502

Sd/-
Ashish Aggarwal
Director
DIN : 09231011

Sd/-
Srinivasan Ganapathy
CFO
Place : Mumbai
Date : 05/05/2023

Sd/-
Priti Alkari
Company Secretary

Raymond Apparel Limited
Jekegram, Pokhran Road No. 1, Thane - 400606 (Maharashtra)
CIN: U18109MH2006PLC262077

Statement of financial results for the period ended March 31, 2023 **(Rs. in lakhs, unless otherwise stated)**

Sr. no.	Particulars	Note	Year ended March 31, 2023	Year ended March 31, 2022
I	**Income**			
	Other Income	11	32.53	-
	Total Income (I)		32.53	-
II	**Expenses**			
	Employee benefits	12	8.69	7.20
	Finance costs	13	-	2,647.51
	Depreciation and amortization expense	14	1.68	1.68
	Other Expenses	15		
	A) Others		162.58	42.41
	Total expenses (II)		172.95	2,698.80
III	**Profit / (loss) before exceptional items and tax (I - II)**		(140.42)	(2,698.80)
IV	**Profit / (loss) before tax**		(140.42)	(2,698.80)
V	**Tax expense**			
	Current tax		-	-
	MAT credit availed/(utilised)		-	-
	Deferred tax charge/(credit)		-	-
VI	**Profit / (loss) for the period (IV - V)**		(140.42)	(2,698.80)
VII	**Other Comprehensive Income**			
	Other Comprehensive Income for the period (i-ii)		-	-
VIII	**Total Comprehensive Income for the period (VI + VII)**		**(140.42)**	**(2,698.80)**
IX	**Earning per equity share of 10 each :**			
	Basic earning per share (Rs)	16	(0.02)	(108.68)
	Diluted earning per share (Rs)	16	(0.02)	(108.68)

Statement of significant accounting Policies 1
The accompanying notes form an integral part of the Financial Statements

For M G M & Company
Chartered Accountants
Firm Reg. No. 0117963W

Sd/-
Mangesh Katariya
Partner
Membership No : 104633
Place : Pune
Date : 05/05/2023

For and on behalf of the Board of Directors

Sd/-
Mithulal Bapna
Director
DIN : 06383502

Sd/-
Ashish Aggarwal
Director
DIN : 09231011

Sd/-
Srinivasan Ganapathy
CFO
Place : Mumbai
Date : 05/05/2023

Sd/-
Priti Alkari
Company Secretary

Raymond Apparel Limited
Jekegram, Pokhran Road No. 1, Thane - 400606 (Maharashtra)
CIN: U18109MH2006PLC262077

Statement of Changes in Equity
A. Equity Share Capital

(Rs. in lakhs)

Particulars	Note	Amount
Balance as at March 31, 2022	4	248.32
Balance as at March 31, 2023		60,102.89

Current Reporting Period- Year ended March 23 (Rs. in lakhs)

Particulars	As at 31st March, 2023	
	Number of shares	Amount
Equity Shares Capital :		
Balance as at the beginning of the current reporting year	2,483,200	248.32
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	2,483,200	248.32
Changes in equity share capital during the current year	598,545,700	59,854.57
Balance at the end of the current reporting period	601,028,900	60,102.89

Previous Reporting Period- Year ended March 22 (Rs. in lakhs)

Particulars	As at 31st March, 2022	
	Number of shares	Amount
Equity Shares Capital :		
Balance as at the beginning of the current reporting year	2,483,200	248.32
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	2,483,200	248.32
Changes in equity share capital during the current year	-	-
Balance at the end of the current reporting period	2,483,200	248.32

B. Other Equity (Rs. in lakhs)

Particulars	Reserves and Surplus					Total
	Capital Reserve	Amalgamation Reserve	Securities Premium Reserve	General Reserves	Retained Earnings	
Balance as at March 31, 2021	**7,233.38**	**92.34**	**6,231.68**	**2,630.77**	**(18,676.88)**	**(2,488.71)**
Loss for the year	-	-	-	-	(2,698.80)	(2,698.80)
Reserve arisen on demerged undertaking	(54,878.05)	-	-	-	-	(54,878.05)
Total Comprehensive Income for the period	**(54,878.05)**	-	-	-	**(2,698.80)**	**(57,576.85)**
Balance as at March 31, 2022	**(47,644.67)**	**92.34**	**6,231.68**	**2,630.77**	**(21,375.68)**	**(60,065.56)**
Loss for the year	-	-	-	-	(140.42)	(140.42)
Total Comprehensive Income for the period	-	-	-	-	**(140.42)**	**(140.42)**
Balance as at March 31, 2023	**(47,644.67)**	**92.34**	**6,231.68**	**2,630.77**	**(21,516.10)**	**(60,205.98)**

The accompanying notes form an integral part of the Financial Statements

For M G M & Company
Chartered Accountants
Firm Reg. No. 0117963W

Sd/-
CA Mangesh Katariya
Partner
Membership No : 104633
Place : Pune
Date : 05/05/2023

For and on behalf of the Board of Directors

Sd/-
Mithulal Bapna
Director
DIN : 06383502
Place : Mumbai
Date : 05/05/2023

Sd/-
Ashish Aggarwal
Director
DIN : 09231011

Sd/-
Srinivasan Ganapathy
CFO

Sd/-
Priti Alkari
Company Secretary

Raymond Apparel Limited
Jekegram, Pokhran Road No. 1, Thane - 400606 (Maharashtra)
CIN: U18109MH2006PLC262077

Statement of Cash Flow for the year ended March 31, 2023

(Rs. in lakhs)

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A	**Cash Flow from Operating Activities:**		
	Net Profit / (Loss) before Tax as per Statement of Profit and Loss	(140.42)	(2,698.80)
	Add / (Deduct)		
	a) Depreciation and Amortisation Expense	1.68	1.68
	b) Finance cost	-	2,647.51
	Operating Profit before Working Capital changes	**(138.74)**	**(49.61)**
	a) (Increase)/Decrease in Trade and Other Receivables	137.97	-
	b) Increase/(Decrease) in Trade and Other Payable	3.14	-
	Cash (outflow) / inflow from operations	**2.37**	**(49.61)**
	Deduct: Direct Taxes paid (net of refund)	(3.51)	-
	Net Cash (Outflow) / Inflow from Operating Activities (A)	**(1.14)**	**(49.61)**
B	**Cash Flow from Investing Activities:**		
	Net Cash inflow / (Outflow) from Investing Activities (B)	**-**	**-**
C	**Cash Flow from Financing Activities:**		
	a) Increase in other borrowings (Net)	-	2,795.61
	b) Finance Charges paid		(2,647.51)
	Net Cash inflow / (Outflow) from Financing Activity (C)	**-**	**148.10**
D	**Scheme adjustment**		
	Cash flow from transfer of assets & liabilities	-	(67.36)
	Net Cash inflow / (Outflow) from Scheme adjustment (D)	-	(67.36)
	Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C+D)	**(1.14)**	**31.13**
	Cash and Cash equivalents at the beginning of the year	31.13	-
	Cash and Cash equivalents at the close of the year	**29.99**	**31.13**

Note :

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

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For M G M & Company
Chartered Accountants
Firm Reg. No. 0117963W

Sd/-
CA Mangesh Katariya
Partner
Membership No : 104633
Place : Pune
Date : 05/05/2023

For and on behalf of the Board of Directors

Sd/-
Mithulal Bapna
Director
DIN : 06383502

Sd/-
Ashish Aggarwal
Director
DIN : 09231011

Sd/-
Srinivasan Ganapathy
CFO
Place : Mumbai
Date : 05/05/2023

Sd/-
Priti Alkari
Company Secretary

Notes to the financial statements for the year ended March 31, 2023

Note 1 - Statement of Significant Accounting Policies

1. Background

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

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

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

(d) Intangible assets

Computer software

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

Amortisation method and useful life

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

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

(e) Lease

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

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

(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.

(i) Investments and other financial assets

(i) Classification

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

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

(2) those measured at amortised cost.

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

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

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

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

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

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

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

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

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

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

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

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

(v) Income Recognition

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

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

(j) Impairment of non-financial assets

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

(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

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.

(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

<u>Functional and presentation currency</u>

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

Notes to the financial statements for the year ended March 31, 2023

(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:

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

(v) Exceptional items:

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

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Notes to the financial statements for the year ended March 31, 2023

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, 2021	**34.28**	**88.83**	**430.19**	**659.52**	**328.48**	**622.76**	**1,019.30**	**3,797.66**	**6,981.01**	**433.37**
Additions	-	-	-	-	-	-	-	-	**-**	-
Transferred to Raymond Limited as per scheme of demerger	-	-	430.19	659.52	328.48	622.76	1,019.30	3,797.66	**6,857.91**	433.37
Capitalisation during the year	-	-	-	-	-	-	-	-	**-**	-
Balance as at March 31, 2022	**34.28**	**88.83**	**-**	**-**	**-**	**-**	**-**	**-**	**123.10**	**-**
Additions	-	-	-	-	-	-	-	-	**-**	-
Capitalisation during the year	-	-	-	-	-	-	-	-	**-**	-
Balance as at March 31, 2023	**34.28**	**88.83**	**-**	**-**	**-**	**-**	**-**	**-**	**123.10**	**-**
Accumulated Depreciation										
Balance as at March 31, 2021	**-**	**10.08**	**226.41**	**481.67**	**169.86**	**587.45**	**975.74**	**3,345.10**	**5,796.30**	
Depreciation Charge for the year	-	1.68	40.89	41.76	54.76	8.80	28.24	292.94	**469.07**	
Disposals	-	-	164.81	429.26	134.57	119.41	2.72	1,706.07	**2,556.85**	
Transferred to Raymond Limited as per scheme of demerger	-	-	102.48	94.17	90.05	476.84	1,001.26	1,931.97	**3,696.77**	
Balance as at March 31, 2022	**-**	**11.76**	**-**	**-**	**-**	**-**	**-**	**-**	**11.76**	
Depreciation Charge for the year	-	1.68	0.00	0.00	0.00	0.00	0.00	0.00	**1.68**	
Disposals	-	-	0.00	0.00	-	0.00	0.00	0.00	**-**	
Balance as at March 31, 2023	**-**	**13.44**	**-**	**-**	**-**	**-**	**-**	**-**	**13.45**	
Net Carrying Amount										
Balance as at March 31, 2023	**34.28**	**75.39**	**-**	**-**	**-**	**-**	**-**	**-**	**109.67**	-
Balance as at March 31, 2022	**34.28**	**77.07**	**-**	**-**	**-**	**-**	**-**	**-**	**111.35**	**-**

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Notes to the financial statements for the year ended March 31, 2023

Note 3 - Cash and cash equivalents **(Rs. In Lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	-	-
Cheques, drafts on hand	-	-
Balances with Banks		
In current accounts	29.99	31.13
Total	**29.99**	**31.13**

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Notes to the financial statements for the year ended March 31, 2023

Note 4 - Equity

a) Equity Share Capital (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised*		
601300000 (March 31, 2022: 601300000) Equity Shares of Rs. 10 each.	60,130.00	60,130.00
Issued, subscribed and fully paid up		
601028915 (March 31, 2022: 24,83,200) Equity Shares of Rs.10 each fully paid up, held by the Holding Company Raymond Limited and its nominees.	60,102.89	248.32
	60,102.89	**248.32**

i) Reconciliation of equity shares outstanding at the beginning and at the end of the year (Rs. in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Equity Shares:				
Balance as at the beginning of the year	2,483,200	248.32	2,483,200	248.32
Add : Equity shares issues during the year (Refer note 21)	598,545,715	59,854.57		
Add: Conversion of Preference shares into equity shares	-	-	-	-
Balance as at the end of the year	**601,028,915**	**60,102.89**	**2,483,200**	**248.32**

ii) Shares held by Holding Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	%	No. of shares	%	No. of shares
Equity Shares of Rs. 10 each held by:				
Equity shares held by Raymond Limited and its nominees	100	601,028,915	100	2,483,200

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	%	No. of shares	%	No. of shares
Equity shares held by Raymond Limited and its nominees	100	601,028,915	100	2,483,200

Notes to the financial statements

b) Other Equity

(Rs. in Lakhs)

Particulars	Reserves and Surplus					Total
	Capital Reserve	Amalgamation Reserve	Securities Premium Reserve	General Reserves	Retained Earnings	
Balance as at March 31, 2021	**7,233.38**	**92.34**	**6,231.68**	**2,630.77**	**(18,676.88)**	**(2,488.71)**
Loss for the year	-	-	-	-	(2,698.80)	(2,698.80)
Reserve arisen on demerged undertaking	(54,878.05)					
Other Comprehensive Income for the period	-	-	-	-	-	-
Total Comprehensive Income for the period	**(54,878.05)**	-	-	-	**(2,698.80)**	**(57,576.85)**
Balance as at March 31, 2022	**(47,644.67)**	**92.34**	**6,231.68**	**2,630.77**	**(21,375.68)**	**(60,065.56)**
Loss for the year	-	-	-	-	(140.42)	(140.42)
Total Comprehensive Income for the period	-	-	-	-	**(140.42)**	**(140.42)**
Balance as at March 31, 2023	**(47,644.67)**	**92.34**	**6,231.68**	**2,630.77**	**(21,516.10)**	**(60,205.98)**

Note 5 - Non-Current Financial Liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<u>**Financial Liabilities**</u>		
Deposits	21.48	-
Total	**21.48**	-

Note 6 - Non-Current Borrowings

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Quasi Equity	-	59,937.22
Total	-	**59,937.22**

Notes to the financial statements for the year ended March 31, 2023

Note 7 - Trade payables

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
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	-	-
ii) Others	2.09	22.00
Total	**2.09**	**22.00**

Trade Payable ageing as at 31st March 2023

(Rs. in Lakhs)

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed						
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
MSME	-	-	-	-	-	-
Others	-	2.09	-	-	-	2.09
Net undisputed(b)	-	2.09	-	-	-	2.09
Total (a+b)	**-**	**2.09**	**-**	**-**	**-**	**2.09**

Trade Payable ageing as at 31st March 2022

(Rs. in Lakhs)

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

Note 8 - Other current financial liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Employees Benefits Payable	0.82	-
Total	**0.82**	**-**

Note 9 - Other current liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance from customers	220.62	-
Statutory Dues	0.39	-
Total	**221.01**	**-**

Note 10 - Short term provisions

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits	0.86	0.50
Total	**0.86**	**0.50**

Notes to the financial statements for the year ended March 31, 2023

Note 11 - Other income

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent income	32.22	-
Others	0.15	-
Other non-operating income	0.16	-
Total	**32.53**	**-**

Note 12 - Employee benefits expense

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	8.05	7.20
Contribution to provident funds and other funds	0.35	-
Defined benefit expense	0.22	-
Staff welfare expenses	0.07	-
Total	**8.69**	**7.20**

Note 13 - Finance costs

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on short term borrowings	-	2,647.51
Total	**-**	**2,647.51**

Note 14 - Depreciation and amortization expense

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on Property, Plant and Equipment	1.68	1.68
Total	**1.68**	**1.68**

Note 15 - Other expenses

A) Other expenses

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rates and Taxes	146.87	0.60
Legal and professional expenses	3.54	41.81
Director Fees	12.00	-
Miscellaneous Expenses	0.17	-
Total	**162.58**	**42.41**

Legal and Professional expenses include:

A. Auditors' remuneration and expenses

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Auditors' remuneration and expenses:		
Statutory audit fees	0.40	27.00
Fees for other audit related services	-	10.71
Reimbursement of out-of-pocket expenses	-	-
Total	**0.40**	**37.71**

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Notes to the financial statements for the year ended March 31, 2023

Note 16 - Earning's per share

(Rs. in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Earning's per share has been computed as under:		
Profit for the year	(140.42)	(2,698.80)
Weighted average number of equity shares outstanding	601,028,915	2,483,200
Basic Earning's Per Share (Face value of Rs. 10 per share)	(0.02)	(108.68)
Add: Weighted average number of potential equity shares	-	-
Weighted average number of Equity shares (including dilutive shares) outstanding	601,028,915	2,483,200
Diluted Earning's Per Share (Face value of Rs. 10 per share)	(0.02)	(108.68)

Notes to the financial statements for the year ended March 31, 2023

Note 17 - Related Party Disclosures as per IND AS 24:

I. Related Party Relationship

(a) **Holding Company:**
Raymond Limited (Ownership 100%)

(b) **Fellow Subsidiary Companies * :**
Silver Spark Apparel Limited
Celebrations Apparel Limited
Raymond Woollen Outerwear Limited
JK Files (India) Limited
JK Talabot Limited
Ring Plus Aqua Limited
Raymond Luxury Cotton Limited
Dress Master Apparel Private Limited

(c) **Other Related Parties where significant influence exists for the Related Party stated in (a) above:**
J.K. Helene Curtis Limited *
Raymond Consumer Care Ltd. *

(d) **Joint Ventures of Related Party referred to in (a) above:**
Raymond UCO Denim Private Limited *

(e) **Related Party which has significant influence on Related Party stated in (a) above:**
J.K. Investors (Bombay) Limited *

(f) **Key management personnel**
Anshu Sarin (upto 03/08/2022)
Gautam Yogendra Trivedi (upto 03/08/2022)
Gautam Hari Singhania (upto 03/08/2022)
I D Agarwal * (upto 03/08/2022)
Mahendra Doshi (upto 03/08/2022)
Dinesh Lal (upto 03/08/2022)
Mithulal Bapna * (w.e.f. 03/08/2022)
Sandeep Maheshwari * (w.e.f. 03/08/2022)
Ashish Aggarwal * (w.e.f. 03/08/2022)
Priti Alkari, CS *

**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 (c) above	Referred in 1 (f) above
Director Fees			
Anshu Sarin			2.00
			-
Gautam Hari Singhania			2.00
			-
Gautam Yogendra Trivedi			3.00
			-
Dinesh Lal			3.00
			-
Mahendra Doshi			2.00
			-

Notes to the financial statements for the year ended March 31, 2023

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 (c) above	Referred in 1 (f) above
Income			
Rental & other Income			
Raymond Limited	32.22 -		
Finance:			
Loans taken			
Raymond Limited	- (58,150.00)		
Loans repaid			
Raymond Limited	- (20,350.00)		
J.K. Talabot Ltd.		- (300.00)	
Silver Spark Apparel Limited		- (3,000.00)	
JK Files (India) Ltd.		- (2,000.00)	
Ring Plus Aqua Ltd		- (5,000.00)	
Advance Rent Received			
Raymond Limited			
Equity Shares Issued			
Raymond Limited	59,854.57 -		
Security Deposit Received			
Raymond Limited	21.48 -		
Security Deposit Paid			
Raymond Limited	- (153.21)		

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

Notes to the financial statements for the year ended March 31, 2023

III. Balances receivable or payable at the year end:

(Rs. in lakhs)

Nature of transaction	As at March 31, 2023	As at March 31, 2022
Accounts Payable:		
Holding Company		
Raymond Limited	243.90	10,025.61
Total	**243.90**	**10,025.59**
Capital Creditors:		
Holding Company		
Raymond Limited	-	111.62
Total	**-**	**111.62**
Borrowings		
ICD Outstanding		
Raymond Limited	-	49,800.00
Total	**-**	**49,800.00**

Notes to the financial statements for the year ended March 31, 2023

Note 18 - 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
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, 2023				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																
Other Assets																
Cash and Cash equivalents	-	29.99	29.99	-	-	-	-	-	-	-	-	-	-	29.99	29.99	29.99
	-	**29.99**	**29.99**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**29.99**	**29.99**	**29.99**
Financial Liabilities																
Other Financial Liabilities	-	0.82	0.82	-	-	-	-	-	-	-	-	-	-	0.82	0.82	0.82
Trade Payables	-	2.09	2.09	-	-	-	-	-	-	-	-	-	-	2.09	2.09	2.09
	-	**2.91**	**2.91**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.91**	**2.91**	**2.91**

Notes to the financial statements for the year ended March 31, 2023

Financial Assets and Liabilities as at March 31, 2022				Fair Value through P & L				Fair Value through OCI				Carried at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Other Assets																
Cash and Cash equivalents	-	31.13	31.13	-	-	-	-	-	-	-	-	-	-	31.13	31.13	31.13
Total	**-**	**31.13**	**31.13**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**31.13**	**31.13**	**31.13**
Financial Liabilities																
Trade Payables	-	22.00	22.00	-	-	-	-	-	-	-	-	-	-	22.00	22.00	22.00
Total	**-**	**22.00**	**22.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**22.00**	**22.00**	**22.00**

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

(Rs. in lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Other Assets				
Cash and Cash equivalents	29.99	29.99	31.13	31.13
	29.99	**29.99**	**31.13**	**31.13**
Financial Liabilities				
Other Financial Liabilities	0.82	0.82	-	-
Trade Payables	2.09	2.09	22.00	22.00
	2.91	**2.91**	**22.00**	**22.00**

Notes to the financial statements for the year ended March 31, 2023

Note 19 - 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.

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.

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 and periodically reviewed on the basis of such information.
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.

Notes to the financial statements for the year ended March 31, 2023

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.

Liquidity Risk

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

Maturity patterns of other financial liabilities

(Rs. in lakhs)

As at March 31, 2023	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	Beyond 12 months	Total
Trade Payable	2.09	-	-	-	-	2.09
Payable related to Capital goods	-	-	-	-	-	-
Lease Liabilities	-	-	-	-	-	-
Other Financial Liability (Current and Non Current)	-	-	-	-	-	-
Total	**2.09**	**-**	**-**	**-**	**-**	**2.09**

(Rs. in lakhs)

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

Notes to the financial statements

Note 20 - 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

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

Capital Management

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

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

Note 21 - Scheme of Arrangement

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

During the current year, the Company has allotted 598,545,715 equity shares of face value ₹ 10 each, at par, to Raymond Limited, against the entire amount considered as deemed equity investment (quasi equity).

Notes to the financial statements for the year ended March 31, 2023

Note 22 - Financial Ratios

Particulars	Numerator	Denominator	March 2023	March 2022	Variation	Reasons
Current Ratio	Current Assets	Current Liabilities	0.13	1.38	-90%	Raymond Apparel Limited Business undertaking has been transferred to Raymond Limited as per Scheme of Arrangements approved by NCLT order dt. 23.03.2022 & appointed date is 01.04.2021
Debt- Equity Ratio	Total Debt	Shareholder's Equity	-	(1.00)	100%	
Debt- Service Coverage Ratio	Earnings available for debt service*	Debt Service**	-	(0.00)	-100%	
Return on equity Ratio	Net Profits after taxes	Average Shareholder's Equity	0.00	0.09	95%	
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	-	-	-	
Trade receivable Turnover Ratio	Revenue	Average Trade Receivable	-	-	-	
Trade Payable turnover Ratio	Purchases of services and other expenses	Average Trade Payables	-	-	-	
Net Capital Turnover Ratio	Revenue	Working Capital	-	-	-	
Net profit Ratio	Net Profit	Revenue	-	-	-	
Return on Capital employed Ratio (ROCE)	Earning before interest and taxes	Capital Employed***	1.36	(0.43)	419%	
Return on Investment	Profit After Tax	Aeverage Shareholder Equity****	0.00	0.09	95%	

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

Note 23 - Title deeds of Immovable property not held in the name of Company

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

Note 24 - Previous Year Figures regrouped or rearranged
The figures for the previous period/year have been regrouped/rearranged wherever necessary to make them comparable with the current period's figures.

Note 25 - Details of Benami Property Held
The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

Notes to the financial statements for the year ended March 31, 2023

Note 26 - The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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

Note 27 - Relationship With Struck Off Companies

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

Note 28 - Registration Of Charges Or Satisfaction With Registrar Of Companies

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

Note 29 - Details Of Crypto Currency Or Virtual Currency

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

Note 30 - Undisclosed Income

The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

Note 31 - Borrowings Obtained On The Basis Of Security Of Current Assets

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

Note 32 - Utilisation Of Borrowed Funds And Share Premium

As on March 31, 2023 there is no unutilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.

Note 33 - Revaluation Of Property, Plant And Equipment And Intangible Assets

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

Note 34 - Compliance With Number Of Layers Of Companies

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

For M G M & Company
Chartered Accountants
Firm Reg. No. 0117963W

Sd/-
CA Mangesh Katariya
Partner
Membership No :
Place : Pune
Date : 05/05/2023

For and on behalf of the Board of Directors

Sd/-
Mithulal Bapna
Director
DIN : 06383502

Sd/-
Ashish Aggarwal
Director
DIN : 09231011

Sd/-
Srinivasan Ganapathy
CFO
Place : Mumbai
Date : 05/05/2023

Sd/-
Priti Alkari
Company Secretary

RAYMOND LIFESTYLE LIMITED

ANNUAL REPORT 2022-23

BOARD OF DIRECTORS	:	SHRI K.A. NARAYAN SHRI H. K. CHATTERJEE SHRI JATIN KHANNA
STATUTORY AUDITORS	:	MESSRS CHATURVEDI & SHAH LLP, CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	JEKEGRAM, POKHARAN ROAD NO. 1, THANE – 400 606, MAHARASHTRA

RAYMOND LIFESTYLE LIMITED
CIN: U52322MH2019PLC332934

DIRECTORS' REPORT

To,
The Members
RAYMOND LIFESTYLE LIMITED

Your Directors take pleasure in presenting the Fourth Annual Report together with Audited Financial Statements for the financial year ended on March 31, 2023.

1. FINANCIAL SUMMARY

The revenue from operations of the Company for FY 2022-23 was NIL (Previous Year: NIL). The Company incurred a Loss after tax of Rs. 91.65 Lakhs (Previous Year Loss after tax: Rs. 1.82 Lakhs).

2. DIVIDEND

No dividend has been recommended for the financial year ended March 31, 2023.

3. RESERVES

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

4. STATUTORY AUDITORS

Chaturvedi & Shah LLP, Chartered Accountants, (FRN/Membership No: 101720W/W100355) were appointed as Statutory Auditors of the Company at the previous Annual General Meeting held on June 13, 2022, for a term of five years commencing from the conclusion of third Annual General Meeting of the Company till the conclusion of the eight Annual General Meeting of the Company.

There were no qualifications, reservations, adverse remarks made by the Auditors in their report for the financial year ended March 31, 2023.

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 as on March 31, 2023 is Rs 15,00,000/- divided into 1,50,000 equity shares of Rs 10/- each. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

7. SUBSIDIARY COMPANIES

Ten X Realty Limited

Ten X Realty Limited ('Ten X') is a wholly-owned subsidiary of the Company incorporated on December 24, 2021, which is engaged in real estate business. The revenue from operations of Ten X for FY 2022-2023 was Nil (previous year: Nil) and the loss after tax stood at Rs. 324.28 Lakhs (Previous Year: Loss after tax of Rs. 0.79 Lakhs).

Rayzone Property Services Private Limited

The Company has incorporated Rayzone Property Services Limited ('Rayzone') as its wholly-owned subsidiary on November 11, 2022, which is engaged in the business of facility management services. The revenue from operations of Rayzone for FY 2022-2023 was Nil and the loss after tax stood at Rs. 21,331.

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 of the Company is given in Form AOC-1 and forms an integral part of this report.

8. SCHEME OF ARRANGEMENT

The Scheme of Arrangement for transfer of Realty business of its holding Company i.e. Raymond Limited into the Company stands withdrawn.

9. PUBLIC DEPOSITS

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

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees or Investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, forms part of the Notes to the Financial Statements.

11. DIRECTORS

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

Profile of Director being re-appointed at the ensuing AGM, as required by Secretarial Standard- 2 on General Meetings, is given in the notice of the ensuing AGM. The above re-appointment forms part of the notice of the ensuing AGM and the resolution is recommended for members' approval.

Your Board presently consists of following Directors:

S. No.	Name of the Director	Designation
1	Shri K. A. Narayan	Non-Executive Director
2	Shri Harishkumar Chatterjee	Non-Executive Director
3	Shri Jatin Khanna	Non-Executive Director

During the year, Six Board Meetings were held as under and attendance of Board Members is given below:

Sr. No.	Name of Director	Date of Board Meeting					
		May 13, 2022	June 14, 2022	July 28, 2022	September 27, 2022	October 27, 2022	January 27, 2023
1	Shri K. A. Narayan	✓	✓	✓	✓	✓	✓
2	Shri Harishkumar Chatterjee	✓	✓	✓	✓	✓	✓
3	Shri Jatin Khanna	✓	✓	✓	✓	✓	✓

12. COMPLIANCE WITH SECRETARIAL STANDARDS

In terms of Section 118(10) of the Companies Act, 2013, the Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by Central Government with respect to Meetings of the Board of Directors and General Meetings.

13. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year under review were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

14. RISK MANAGEMENT

The Company has adequate risk management measures which are implemented, developed, assessed, reviewed and strengthened from time to time.

15. REPORTING OF FRAUDS

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

16. DIRECTORS' RESPONSIBILITY STATEMENT

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

a. that in the preparation of the annual accounts for the year ended March 31, 2023, 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, 2023 and of the loss of the Company for the year ended on that date;
c. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. that the Directors have prepared the annual accounts on a going concern basis; and
e. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

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

As the Company had no manufacturing activities during the period under review, the details as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo is not applicable to the Company.

18. ANNUAL RETURN

As per Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and relevant Rules, as amended from time to time, every company is required to place a copy of the annual return on the website of the Company, if any, and the web-link of such annual return shall be disclosed in the Board's report. Since the Company does not have a website, the said provision is not applicable to the Company.

19. PARTICULARS OF EMPLOYEES

The provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2023 is not applicable.

20. MATERIAL CHANGES AND COMMITMENTS

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

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

Since the Company does not have required number of employees on its payroll, the disclosure under the above act is not applicable.

22. SIGNIFICANT OR MATERIAL ORDERS

There are no significant or material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

23. DISCLOSURES

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

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

24. RESIDUARY DISCLOSURES

During the year under review:

i. the Company has not issued equity shares with differential rights as to dividend, voting or otherwise. Hence, disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;

ii. the Company has not issued sweat equity shares to its employees. Hence, disclosure under Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;

iii. provisions of Section 135 of the Companies Act, 2013 ('Act') is not applicable to the Company, hence disclosure under section 134(3)(o) of the Act is not applicable;

iv. Company does not have any Independent Directors, hence disclosure under section 134(3)(d) of the Act is not applicable;

v. Company does not fall under provisions of 178 of the Act, hence disclosure under section 134(3)(e) of the Act is not applicable;

vi. Company does not fall under provisions of Rule 8(4) of the Companies (Accounts) Rules, 2014, hence disclosure under section 134(3)(p) of the Act is not applicable;

vii. the provisions of Section 125(2) of the Act, do not apply as there was no unclaimed dividend in the previous years.

viii. there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable.

ix. Company was not required to maintain the cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act were not applicable for the business activities carried out by the Company.

25. 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

Mumbai
May 5, 2023

Sd/-	Sd/-
Krishnan Ashwath Narayan	Harishkumar Hariprasad Chatterjee
Director	Director
DIN:00950589	DIN: 03560685

Date : 05/05/2023

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	Subsidiary 1	Subsidiary 2
1	Name of the subsidiary	Ten X Realty Limited	Rayzone Property Services Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same reporting Period	Same reporting Period
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable	Not Applicable
4	Share capital (paid-up)	5,00,000	50,000
5	Reserves & surplus	(3,25,06,817)	(21,331)
6	Total Assets	40,97,27,953	50,000
7	Total Liabilities	40,97,27,953	50,000
8	Investments	0	0
9	Turnover	0	0
10	Profit/(Loss) before taxation	(3,24,27,952)	(21,331)
11	Provision for taxation	0	0
12	Profit/(Loss) after taxation	(3,24,27,952)	(21,331)
13	Proposed Dividend	0	0
14	% of shareholding	100	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	-	-	-
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 Directors of
RAYMOND LIFESTYLE LIMITED

Sd/-
Krishnan Ashwath Narayan
Director
DIN:00950589

Sd/-
Harishkumar Hariprasad Chatterjee
Director
DIN: 03560685

Date : 05/05/2023

Mumbai
May 5, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Raymond Lifestyle Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Raymond Lifestyle Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, 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, 2023 and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) prescribed under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements as per the ICAI's Code of Ethics and the provisions of the Companies Act, 2013 and Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

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

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

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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, 2023.

b. The Company has no long term contracts including derivative contracts outstanding as on March 31, 2023.

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

d.
   i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries,
   ii. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
   iii. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (i) and (ii) above contain any material misstatement.
   iv. Proviso to Rule 3 (1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

e. The Company has not declared or paid any dividend during the year ended 31 March 2023.

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

Sd/-

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 23103418BGXVIM4171

Place: Mumbai
Date: 05/05/2023

Annexure A to Independent Auditor's Report – March 31, 2023

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Raymond Lifestyle Limited** ('the Company') on the financial statements for the year ended March 31, 2023, we report the following:

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

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

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

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

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

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

vii. In respect of statutory dues:

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

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

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

ix.

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

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

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

(d) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at year end i.e. March 31, 2023, we report that short-term funds in the form of inter-corporate deposit from holding company have not been used for long term purpose, however current liability is more than current assets as company has incurred losses.

(e) In our opinion and according to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

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

x.

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

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

xi.

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

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

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

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

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

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

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

xvi.

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

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

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

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

xvii. The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year amounting to Rs. 91,65,436 and Rs. 1,81,910, respectively.

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

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans as explained in Note 8 of financial statement of demerger of real estate business of Raymond Limited into the company as per the scheme filed to National Company Law Tribunal (NCLT) and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

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

Sd/-

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 23103418BGXVIM4171

Place: Mumbai
Date: 05/05/2023

Annexure B to Independent Auditor's Report – March 31, 2023 on the Financial Statements of Raymond Lifestyle Limited

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

We have audited the internal financial controls with reference to financial statement of Raymond Lifestyle Limited ('the Company') as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2023, 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: 23103418BGXVIM4171

Place: Mumbai
Date: 05/05/2023

RAYMOND LIFESTYLE LIMITED
BALANCE SHEET AS AT 31st March, 2023

(Amount in Rs lakhs)

	Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Property, Plant and Equipment	-	-	-
	(b) Financial Assets			
	(i) Investments	2	5.50	5.00
2	**Current assets**			
	(a) Financial Assets			
	(i) Cash and cash equivalents	3	8.34	9.07
	Income Tax Assets (net)	3	1,711.06	-
	TOTAL ASSETS		**1,724.90**	**14.07**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	4	15.00	15.00
	b) Other equity			
	(i) Reserves & Surplus	5	(93.59)	(1.93)
2	**Liabilities**			
	Non- Current liabilities			
	(a) Borrowings		-	-
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	7	1,720.00	-
	(ii) Other financial liabilities	6	82.20	1.00
	(b) Other Current Liabilities			
	(i) Statutory Dues	6	1.29	-
	TOTAL LIABILITIES		**1,724.90**	**14.07**
	Significant Accounting Policies	1		

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 05/05/2023

For Raymond Lifestyle Limited

Krishnan Ashwath Narayan
Director
DIN:00950589

Harishkumar Hariprasad Chatterjee
Director
DIN: 03560685

Date : 05/05/2023

RAYMOND LIFESTYLE LIMITED

Statement of Profit and Loss for the Year Ended 31st March , 2023

(Amount in Rs lakhs)

	Particulars	Note No.	Year Ended 31st March, 2023	Year Ended 31st March, 2022
I	Revenue from operations		-	-
	Other income		-	-
	Total Income		-	-
II	**Expenses:**			
	Cost of materials consumed		-	-
	Purchases of stock-in-trade		-	-
	Employee benefits		-	-
	Finance costs	8	90.73	-
	Depreciation and amortisation		-	-
	Other expenses	9	0.93	1.82
	Total expenses		**91.65**	**1.82**
III	**Profit/(Loss) before tax (I - II)**		**(91.65)**	**(1.82)**
IV	**Tax expense**			
	Current tax		-	-
	Deferred tax charge/(credit)			
V	**Profit/ (Loss) after tax for the period (III - IV)**		**(91.65)**	**(1.82)**
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)**		**(91.65)**	**(1.82)**
VIII	**Earnings per equity share**			
	Basic		(61.10)	(3.64)
	Diluted		(61.10)	(3.64)

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 05/05/2023

For Raymond Lifestyle Limited

Krishnan Ashwath Narayan
Director
DIN:00950589

Harishkumar Hariprasad Chatterjee
Director
DIN: 03560685

Date : 05/05/2023

Cash Flow Statement for the Year Ended 31st March, 2023

(Amount in Rs lakhs)

	Year Ended 31st March, 2023	Year Ended 31st March, 2022
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and tax	(91.65)	(1.82)
Adjustments for:		
Add/(Deduct):	-	-
Interest on borrowings	90.73	
Operating profit before working capital changes		
Adjustments for:		
Increase in trade and other receivables	-	-
Increase in other current liabilities	1.29	-
Increase in trade and other payables and provisions	(9.53)	0.90
Cash used in operations before Exceptional items	(9.17)	(0.92)
Exceptional items (net)	-	-
Cash used in operations	(9.17)	(0.92)
Direct taxes paid (net of refunds)	(1,711.06)	-
Net cash used in operating activities - [A]	(1,720.23)	(0.92)
CASH FLOW FROM INVESTING ACTIVITIES:		
Inflow	-	-
Outflow		
Investment in Rayzone	(0.50)	
Investment in Ten X Realty Ltd.		(5.00)
Net cash (used in)/ generated from investing activities - [B]	(0.50)	(5.00)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceed from Issue of shares	-	10.00
Borrowing	1,720.00	
Interest on borrowings	-	
Net cash generated from financing activities - [C]	1,720.00	10.00
Net increase in cash and cash equivalents - [A+B+C]	(0.73)	4.08
Add: Balance at the beginning	9.07	4.99
Cash/Cash Equivalent at the close of the period	8.34	9.07

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 05/05/2023

For Raymond Lifestyle Limited

Krishnan Ashwath Narayan
Director
DIN:00950589

Harishkumar Hariprasad Chatterjee
Director
DIN: 03560685

Date : 05/05/2023

RAYMOND LIFESTYLE LIMITED
Statement of Changes in Equity for the Year Ended 31st March, 2023

Statement of other equity

(Amount in Rs lakhs)

Particulars	Retained Earnings
Balance as at 31.03.2021	(1.87)
Changes in accounting policy or prior period errors	-
Restated balance at the beginning of previous year	(1.87)
Add : loss for the period	(0.06)
Balance as at 31.03.2022	(1.93)
Changes in accounting policy or prior period errors	-
Restated balance at the beginning of the current reporting period	(1.93)
Add : loss for the period	(91.65)
Balance as at 31.03.2023	(93.59)

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

For Raymond Lifestyle Limited

Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 05/05/2023

Krishnan Ashwath Narayan
Director
DIN:00950589

Harishkumar Hariprasad Chatterjee
Director
DIN: 03560685

Date : 05/05/2023

Note 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I. Background

Raymond Lifestyle Limited ('RLL' or 'the Company') incorporated in India on 14th November, 2019 is yet to commence business of manufacturing and trading in textile apparel and real estate development. The Board of Directors of the Company at its meeting held on 25 January 2022 have approved a Scheme of Arrangement ('Real Estate Scheme') between the Company and Raymond Limited (Holding Company of the Company) for demerger of the real estate business undertaking of the holding Company (as defined in the Real Estate Scheme) into Company on a going concern basis. The Appointed Date is 1 April 2022. The board of holding company has withdrawn the scheme of demerger of realty business from the holding company to the company on 27th April, 2023, due to which, the management is in process for identifying the suitable business vertical to continue along with existing strategy the Company continued to be presented on going concern basis

II. Significant Accounting Policies followed by the Company

(a) Basis of preparation

(i) Compliance with Ind AS

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

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities that are measured at fair value;
2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value;

(iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts

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

(v) Comparative amounts

As the Company is incorporated during the year, there are no comparative amounts.

vi) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

(b) Use of estimates and judgements

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

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

(c) Cash and Cash Equivalents

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

(d) Provisions and contingent liabilities

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

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

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

(e) Revenue recognition

Revenue 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 Year Ended 31st March, 2023

Note 2 - Financial Assets - Investments

(Amount in Rs lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
RAYMOND PROPERTY SERVICES LTD		
5000 equity shares of ₹ 10 each	0.50	-
TEN X REALTY LIMITED		
50000 equity shares of ₹ 10 each	5.00	5.00
	5.50	5.00

Note 3 - Cash equivalent & Income Tax

(Amount in Rs lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with Banks		
In current accounts	8.34	9.07
Income Tax Assets	1,771.06	-
		-
Total	1,779.40	9.07

Note 4 - Equity

(Amount in Rs lakhs)

Particulars	As at 31st March, 2023	31st March, 2022
Authorised		
2,50,000 Equity Shares of Rs.10 each	25.00	25.00
Issued		
1,50,000 Equity Shares of Rs.10 each	15.00	15.00
Subscribed and fully paid up		
1,50,000 Equity Shares of Rs.10 each	15.00	15.00
Total	15.00	15.00

a) **Reconciliation of number of shares**

(Amount in Rs lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	1.50	15.00	0.50	5.00
Add: Share Issued during the year	-	-	1.00	10.00
Add : Conversion of preference shares into equity share	-	-	-	-
Balance at the end of the year	1.50	15.00	1.50	15.00

Current Reporting Period- Year ended March 23

Particulars	As at 31st March, 2023	
	Number of shares	Amount
Equity Shares Capital :		
Balance as at the beginning of the current reporting year	1.50	15.00
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the period	1.50	15.00
Changes in equity share capital during the current year	-	-
Balance at the end of the period	1.50	15.00

Previous Reporting Period- Year ended March 22

Particulars	As at	
	Number of shares	Amount
Equity Shares Capital:		
Balance as at the beginning of the current reporting year	0.50	5.00
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the period	0.50	5.00
Changes in equity share capital during the current year	1.00	10.00
Balance at the end of the period	1.50	15.00

b) **Rights, preferences and restrictions attached to shares**

Equity shares: The Company has only one class of equity share having a par value of Rs 10 per share. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on show of hands, every member present in person shall have one vote and on a poll,the voting rights of members shall be in proportion to his share in the paid up equity share capital of the company. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) **Shares held by Holding Company**

Particulars	As at 31st March, 2023	31st March, 2022
Equity Shares of Rs. 10 each held by:		
Raymond Limited (along with Nominees)	15.00	15.00

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

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	%	No. of Shares	%	No. of Shares
Raymond Limited	100	1.50	100	1.50

e) **Shares held by Promoter Company at the end of the year**

Sr No	Promoter Name	No. of Shares	% of Total Shares	% change during the year
1	RAYMOND LIMITED	1.50	0.001%	-

RAYMOND LIFESTYLE LIMITED

Notes to the financial statements for the Year Ended 31st March, 2023

Note 5 - Other Equity

Reserve and Surplus

(Amount in Rs lakhs)

Particulars	Retained Earnings
Balance as at 31.03.2021	(1.87)
Changes in accounting policy or prior period errors	-
Restated balance at the beginning of previous year	(1.87)
Add : loss for the period	(0.06)
Balance as at 31.03.2022	(1.93)
Changes in accounting policy or prior period errors	-
Restated balance at the beginning of current year	(1.93)
Add : loss for the period	(91.50)
Balance as at 31.03.2023	(93.43)

Note 6 - Current Liabilities - Other current financial liabilities

(Amount in Rs lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Audit Fees Payable	0.54	0.79
Other Payable	81.66	-
TDS Payable - Interest & Prof. chr.	1.29	-
Legal & Professional Charges Payable	-	0.30
Total	83.49	1.09

Note 7 - Current Borrowings

(Amount in Rs lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured	-	-
Loans from Raymond Limited	1,700.00	-
Total	1,700.00	-

Note 8 - Finance Cost

(Amount in Rs lakhs)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Finance cost on borrowings	90.73	-
Total	90.73	-

Note 9 - Other Expenses

(Amount in Rs lakhs)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Auditor's Remuneration	0.72	0.79
Legal and Professional Expenses	0.05	0.50
Professional Expenses	0.12	0.29
Bank Charges	0.02	0.02
Roc Fees Expenses	0.02	0.21
Total	0.93	1.81

A Details of Payments to Auditor (Included in Auditor's Remuneration)

(Amount in Rs lakhs)

	Year ended 31st March, 2023	Year ended 31st March, 2022
Audit Fees	0.50	0.50
Other Services	0.22	0.29
Total	0.72	0.79

Note 10 - Demerger Scheme

The Board of Directors of the Company at its meeting held on 25 January 2022 have approved a Scheme of Arrangement ('Real Estate Scheme') between the Company and Raymond Limited (Holding Company of the Company) for demerger of the real estate business undertaking of the holding Company (as defined in the Real Estate Scheme) into Company on a going concern basis. The Appointed Date is 1 April 2022. The Real Estate Scheme will be effective upon receipt of such approvals as may be statutorily required including that of Mumbai Bench of the National Company Law Tribunal ("NCLT"). Subsequent to the balance sheet date, the board of director of Raymond limited at its meeting held on 27th april 2023 have approved the withdrawal of the Real Estate scheme.

Note 11 - Liquidity

As the scheme of demerger of Real estate business of the Raymond Limited (Holding Company) and the said business to be merged with RLL have withdrawal by the Board of Raymond Limited through board resolution dated 27th April 2023. Further, the net worth of the company has been eroded indicates the material uncertainty, which may cast significant doubt about the Company's ability to continue as going concern . The holding Company has assured for providing financial support to meet the obligation and future expenses, wherever requires and the management is in process for identifying the suitable business vertical to continue along with existing strategy the Company continued to be presented on going concern basis.

Note 12 - Incorporation of Subsidiary Company

The Company incorporated Ten X Realty Limited as its wholly-owned subsidiary on December 24, 2021, with initial authorized and paid-up share capital of Rs. 10,00,000 and Rs 5,00,000/- respectively. Further the company (being intermediate wholly owned subsidiary) had opted exemption available under rule 6 of Companies (Accounts) Rules 2014 and accordingly not prepared Consolidated Financial Statement for the year ended 31st March 2022.

Note 13 - Related party Disclosure under Ind AS 24

1. Relationship

(a) Holding company

RAYMOND LIMITED

(b) Subsidiary company

TEN X (W.E.F. 24th Dec 2021)

Raymond Property Services Limited(wef 19th Jan 2023)

(Amount in Rs lakhs)

2. Transactions carried out with related parties in the Ordinary course of Business .

	1 (a) above Year ended 31st March 2023	1 (a) above Year ended 31st March, 2022	1 (b) above Year ended 31st March 2023	1 (b) above Year ended 31st March 2022
Fresh Infusion of equity	-	RAYMOND LIMITED 10.00	-	-
Loan taken from RAYMOND LIMITED	1,700.00	-	-	
Investment		-	- Raymond Propert Services Limited 0.50	TEN X 5.00
Interest Expense RAYMOND LIMITED	90.73	-		
Interest Payable RAYMOND LIMITED	81.66	-		

RAYMOND LIFESTYLE LIMITED
Notes to the financial statements for the Year Ended 31st March, 2023

14 - 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

As Borrowing is at fixed rate of interest, there is no market risk - Interest rate risk .

Derivative instruments and unhedged foreign currency exposure - There is No derivative transtions.

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

(Amount in Rs lakhs)

	As at 31st March , 2023		As at 31st March , 2023	
	0-1 year	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	-	-	-	-
Short term borrowings	1,720.00	-	-	1,720.00
Total	1,720.00	-	-	1,720.00

	As at 31st March, 2022		As at 31st March, 2022	
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	-	-	-	-
Short term borrowings	-	-	-	-
Total	-	-	-	-

Maturity patterns of other Financial Liabilities

As at 31st March , 2023 (Amount in Rs lakhs)

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable						-
Lease liabilities						-
Other Financial liability (Current and Non Current)	-	1.83	-	-	81.66	83.49
Total	-	1.83	-	-	81.66	83.49

As at 31st March, 2022 (Amount in Rs lakhs)

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-
Other Financial liability (Current and Non Current)	-	1.00	-	-	-	1.00
	-	-	-	-	-	-
Total	-	1.00	-	-	-	1.00

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

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

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

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

(Amount in Rs lakhs)

Financial Assets and Liabilities as at 31st March'2023				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													
Cash and Cash equivalents		8.34	8.34	-	-	-	-	-	-	-	-	8.34	8.34
Other Bank balance			-	-	-	-	-	-	-	-	-	-	-
	-	**8.34**	**8.34**	-	-	-	-	-	-	-	-	**8.34**	**8.34**
Financial Liabilities													
Borrowings		1,720.00	1,720.00	-	-	-	-	-	-	-	-	1,720.00	1,720.00
Other Financial Liabilities		82.20	82.20	-	-	-	-	-	-	-	-	82.20	82.20
			-									-	-
	-	**1,802.20**	**1,802.20**	-	-	-	-	-	-	-	-	**1,802.20**	**1,802.20**

(Amount in Rs lakhs)

Financial Assets and Liabilities as at 31st March'2022				Routed through P & L				Routed through OCI				Carrying at amortised cost	Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets													
Other Assets													
Cash and Cash equivalents		9.07	9.07	-	-	-	-	-	-	-	-	9.07	9.07
Other Bank balance			-	-	-	-	-	-	-	-	-	-	-
	-	**9.07**	**9.07**	-	-	-	-	-	-	-	-	**9.07**	**9.07**
Financial Liabilities													
Other Financial Liabilities		1.00	1.00	-	-	-	-	-	-	-	-	1.00	1.00
Trade Payables			-	-	-	-	-	-	-	-	-	-	-
Capital Creditors			-	-	-	-	-	-	-	-	-	-	-
	-	**1.00**	**1.00**	-	-	-	-	-	-	-	-	**1.00**	**1.00**

* Fair value has been considered based on confirmation from bank

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

(Amount in Rs lakhs)

Financial Assets and Liabilities	As at 31st March, 2023		As at 31st March, 2022	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Cash and Cash equivalents	8.34	8.34	9.07	9.07
	8.34	**8.34**	**9.07**	**9.07**
Financial Liabilities				
Borrowings	1,720.00	1,720.00	-	-
Other Financial Liabilities	82.20	82.20	1.00	1.00
	1,802.20	**1,802.20**	**1.00**	**1.00**

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.

Note 26 - Other Statutory Information

(a) DETAILS OF BENAMI PROPERTY HELD

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

(b) RELATIONSHIP WITH STRUCK OFF COMPANIES

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

(c) WILLFUL DEFAULTER

The Company does not have any borrowing form banks and financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. Accordingly this close is not applicable.

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

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

(e) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

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

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

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

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(h) UNDISCLOSED INCOME

The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(i) BORROWINGS OBTAINED ON THE BASIS OF SECURITY OF CURRENT ASSETS

During the current year , the Company does not borrow any fund and hence this clause is not applicable.

(j) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

During the current year , the Company does not borrow any fund and hence this clause is not applicable

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

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

(l) COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

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

(M) RATIOS

Ratios under Schedule III

Sr. No.	Particulars	Year ended 31.03.2023 (Audited)	Year ended 31.03.2022 (Audited)	Variation	Remarks
1	Current Ratio (Current Assets / Current Liab.)	0.10%	9.07%	-0.99%	Current Asset has decreased from Rs 906675 in FY 2022 to Rs 833908 in FY 2023 and Current Liability has increased from Rs 100000 in FY 2022 to Rs 8219590 in FY 2023
2	Debt- Equity Ratio	0.22	-		Increase in debt equity ratio from Nil in FY 21-22 to 0.22 in FY 22-23. This is due to new loan of Rs 17,20,00,000 taken during the year
3	Debt- Service Coverage Ratio	(0.01)	N.A.		Increase in debt service coverage ratio from Nil in FY 21-22 to -0.01 in FY 22-23. This is due to new loan of Rs 17,20,00,000 taken during the year for which interest of Rs 9072877 charged during the year
4	Return on equity Ratio (Loss after Tax / Equity)	-0.86%	-7.18%	-88.00%	Net loss has increased from Rs. 189910 in FY 21-22 to Rs. 9165436 in FY 22-23 and Networth has droped from Rs 1306675 in FY 21-22 to Rs. 7858762
5	Inventory Turnover Ratio	N.A.	N.A.		
6	Trade receivable Turnover Ratio	N.A.	N.A.		
7	Trade Payable turnover Ratio	N.A.	N.A.		
8	Net Capital Turnover Ratio	N.A.	N.A.		
9	Net profit Ratio	N.A.	N.A.		
10	Return on Capital employed Ratio (Loss after Tax / Net worth)	1.17%	-14%	-108%	Net loss has increased from Rs. 189910 in FY 21-22 to Rs. 9165436 in FY 22-23 and Networth has droped from Rs 1306675 in FY 21-22 to Rs. 7858762
11	Return on Investment	0.00%	N.A.		

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

For Raymond Lifestyle Limited

Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 05/05/2023

Krishnan Ashwath Narayan
Director
DIN 00950589

Harishkumar Hariprasad Chatterjee
Director
DIN: 03560685

Date : 05/05/2023

RAYMOND LUXURY COTTONS LIMITED

ANNUAL REPORT 2022-23

BOARD OF DIRECTORS	:	SHRI HARISHKUMAR CHATTERJEE (RESIGNED W.E.F JANUARY 10, 2023) SMT. RASHMI MUNDADA SHRI VIJAY PATIL SHRI ATUL DHARAP SHRI VIKRAM MAHALDAR (APPOINTED W.E.F JANUARY 10, 2023)
KEY MANAGERIAL PERSONNEL	:	SHRI HARISHKUMAR CHATTERJEE, MANAGER (RESIGNED W.E.F. JANUARY 10, 2023) SHRI VIKRAM MAHALDAR, MANAGER (APPOINTED W.E.F JANUARY 10, 2023) SHRI SRINIVASA VAJHA, CHIEF FINANCIAL OFFICER SHRI MOHD WAQAR SIDDIQUI, COMPANY SECRETARY
COST AUDITOR	:	MESSRS R. NANABHOY & CO., COST ACCOUNTANTS
STATUTORY AUDITOR	:	MESSRS CHATURVEDI & SHAH LLP, CHARTERED ACCOUNTANTS
SECRETARIAL AUDITOR	:	MESSRS. DM & ASSOCIATES, COMPANY SECRETARIES LLP
INTERNAL AUDITORS	:	MESSRS. ERNST & YOUNG LLP, CHARTERED ACCOUNT
REGISTERED OFFICE	:	NEW HIND HOUSE, N. M. MARG, BALLARD ESTATE, MUMBAI – 400 001, MAHARASHTRA
REGISTRAR AND SHARE TRANSFER AGENT	:	KFIN TECHNOLOGIES LIMITED SELENIUM BUILDING, TOWER-B, PLOT NO 31 & 32, FINANCIAL DISTRICT,NANAKRAMGUDA, SERILINGAMPALLY,HYDERABAD,RANGAREDDI, TELANGANA, INDIA - 500 032.

RAYMOND LUXURY COTTONS LIMITED
CIN: U17120MH2004PLC149276

DIRECTORS' REPORT

To,
THE MEMBERS

Your Directors take pleasure in presenting their Nineteenth Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2023.

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 ₹ 761.98 Crore (Previous Year: ₹ 571.76 Crore). Profit after tax was ₹ 15.63 Crore (Previous Year: Loss: ₹ 14.3 crore).

2. DIVIDEND

In order to preserve the resources of the Company, your Directors do not recommend any dividend for the Financial Year 2022-23.

3. RESERVES

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

4. BUYBACK

Your Company had offered to Buy back its shares from the existing shareholders. The offer commenced on April 27, 2023 and closed on April 28, 2023. The Company bought back 4,21,70,000 shares having face value Rs. 10/- at a price of Rs. 4.65/- per share amounting to Rs. 19,60,90,500/- only. The remittance of the buyback amount was also made on April 28, 2023.

The process of Buyback was completed as on April 28, 2023 and thus with effect from the same, the Company is a wholly owned subsidiary of Raymond Limited.

5. AUDITORS

Statutory Auditor

Messrs. Chaturvedi & Shah LLP, Chartered Accountants (ICAI Firm Registration Number 101720W/ W100355) were the statutory auditors of the Company for the year ended March 31, 2023. Their appointment as statutory auditor to hold office is valid from the conclusion of the 18th Annual General Meeting of the Company till the conclusion of the 23rd 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 2023-24. As required under the Companies Act, 2013, a resolution seeking member's approval for ratifying the remuneration payable to the Cost Auditor forms part of the Notice convening the ensuing Annual General Meeting.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company had appointed Messrs. DM & Associates Company Secretaries LLP, Practicing Company Secretaries (ICSI Unique Code L2017MH003500) 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 2022-23.

The Board of Directors at their meeting held on May 02, 2023 has appointed M/s. DM & Associates, Company Secretaries LLP (ICSI Unique Code – L2017MH003500) as the Secretarial Auditor for FY2023-24.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

The Company has entrusted the internal and operational audit to M/s. E&Y, LLP, a reputed firm of Chartered Accountants. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of the control mechanism.

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

7. SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on March 31, 2023 was ₹ 168.68 crore. During the year under review, the Company has not issued any shares. As on March 31, 2023, 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. The process of Buyback of shares (as stated above) took place after the closure of FY2022-23.

8. PUBLIC DEPOSITS

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

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

10. DIRECTORS AND THEIR MEETINGS

A. Directors

During the year under review, the members approved the appointment of Shri Atul Dharap (DIN: 06699876) as a Director (Independent Director) at the previous AGM.

Shri Harish Chatterjee ceased to be the Manager of the Company effective from January 10, 2023 on account of resignation. Shri Vikram Mahaldar was appointed as an Additional Director (Executive Director) with effect from January 10, 2023 and the said appointment was approved by the members at the Extra-Ordinary General Meeting (EGM) held on April 20, 2023. Shri Vikram Mahaldar was also appointed as a Manager, in place of Shri Harish Chatterjee, for a period of 3 years effective from January 10, 2023.

During the year under review, Smt. Rashmi Mundada’s term of five years as an Independent Director came to an end on March 15, 2023 and she was re-designated as a Non-Executive Director of the Company with effect from March 16, 2023.

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

During the year, 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					
		13.05.2022	03.08.2022	26.09.2022	31.10.2022	10.01.2023	30.01.2023
1.	Shri Harish Chatterjee	✓	✓	✓	✓	✓	-
2.	Shri Atul Dharap	✓	✓	✓	✓	✓	✓
3.	Smt. Rashmi Mundada	✓	✓	✓	✓	✓	✓
4.	Shri Vijay Patil	✓	✓	✓	✓	✓	✓
5.	Shri Vikram Mahaldar	-	-	-	-	-	✓

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

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 the 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 an 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 20, 2023, without the presence of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors and the Board of Directors as a whole; review the performance of the Chairman of the Company and to assess the quality, quantity and timeliness of flow of information between the management and the board of directors. The Directors expressed their satisfaction with the evaluation process.

D. Key Managerial Personnel (KMPs)

During the year, Shri Harish Chatterjee resigned as Manager of the Company w.e.f. January 10, 2023 and Shri Vikram Mahaldar was appointed as Company Secretary w.e.f. January 10, 2023.

As on the date of this report, your Company has the following KMPs:

Sr. No.	Name of the Person	Designation
1	Shri Vikram Mahaldar	Manager
2	Shri Srinivasa Vajha	Chief Financial Officer
3	Shri Waqar Siddiqui	Company Secretary

11. COMPLIANCE WITH SECRETARIAL STANDARDS

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

12. COMMITTEES OF THE BOARD

The Board has constituted the following committees:

A. Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 and the Rule 6 of the Companies (Meeting of Board and its Powers) Rule, 2014, the Audit Committee Composition as on the date of this report is as under:

1. Shri Atul Dharap : Independent Director, Chairman
2. Smt. Rashmi Mundada : Non-Executive Director, Member
3. Shri Vikram Mahaldar : 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				
		13.05.2022	03.08.2022	26.09.2022	31.10.2022	30.01.2023
1.	Shri Atul Dharap	✓	✓	✓	✓	✓
2.	Smt. Rashmi Mundada	✓	✓	✓	✓	✓
3.	Shri Harish Chatterjee	✓	✓	✓	✓	-
4.	Shri Vikram Mahaldar	-	-	-	-	✓

B. Nomination and Remuneration Committee

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

The Board has clearly defined terms of reference for Nomination and Remuneration Committee, which are as follows:

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

The Composition of Nomination and Remuneration Committee as on the date of this report is as under:

Shri Atul Dharap : Independent Director, Chairman.
Smt. Rashmi Mundada : Non-Executive Director, Member
Shri Vijay Patil : Non-Executive Director, Member

The details of Nomination and Remuneration Committee Meeting held and Attendance of Directors at the meeting is given below:

Sr. No.	Name of Director	Date of Meeting	
		13.05.2022	10.01.2023
1	Shri R. Narayanan	✓	✓
2	Smt. Rashmi Mundada	✓	✓
5	Shri Vijay Patil	✓	✓

C. Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014, the Company is not required to spend any amount towards its CSR requirement. A report on CSR activities and the contents of Corporate Social Responsibility policy annexed as **"Annexure B"**. Pursuant to Section 135(1) of the Companies Act, 2013, the Composition of CSR Committee as on the date of this report is as under:

Shri Atul Dharap : Independent Director, Chairman.
Smt. Rashmi Mundada : Non-Executive Director, Member.
Shri Vikram Mahaldar : Executive Director, Member.

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

The CSR Policy of the Company is also available on www.raymond.in

D. Committee of the Directors

The composition of the Committee of Directors as on the date of the report is as under:

1. Shri Atul Dharap : Independent Director, Chairman
2. Shri Vikram Mahaldar : Executive Director, Member
3. Shri Vijay Patil : Non –Executive Director, Member

The Board has clearly defined terms of reference for the Committee of Directors, which are as follows:
1. approval of transfer of shares and issue of duplicate/split/consolidation /sub-division of share certificates;
2. opening/modification of operation and closing of Bank Accounts;
3. to change the signatories for availment of various facility from Banks/Financial Institution;
4. to grant authority to execute and sign Foreign Exchange Contracts and Derivative Transactions;
5. grant of Special/General Power of Attorney in favour of employees of the Company from time to time in connection with the conduct of the business of the Company particularly with Government and Quasi- Government Institutions;
6. to approve Lease / Leave & License agreement for opening Retail outlets / EBO etc;
7. to carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to-time.

No meetings of the Committee of Directors were held during the year.

13. VIGIL MEHCANISM FOR DIRECTORS AND EMPLOYEES

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

14. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year 2022-23 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.

15. RISK MANAGEMENT

The Company is exposed to risks from market fluctuations of foreign exchange, interest rates, commodity prices, business risks, compliance risks and people risks. These risks are assessed and steps as appropriate are taken to mitigate the risks. There are no risks which in the opinion of the Board of Directors threaten the existence of the Company.

16. 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.

17. 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, 2023, 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, 2023 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.

18. 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 C"** to this report.

19. ANNUAL RETURN

A copy of draft Annual Return for F.Y. 2022-23 has been placed at www.raymond.in

20. 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, 2023 are not applicable.

21. 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.

22. MATERIAL CHANGES AND COMMITMENTS

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

23. 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.

24. 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.

25. 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/-
	Vikram Mahaldar	**Vijay Patil**
May 02, 2023	**Director**	**Director**
Mumbai	**DIN: 07948278**	**DIN: 07173161**

DM & ASSOCIATES COMPANY SECRETARIES LLP

(LLPIN NO. AAI-4743)

[Firm Registration No: L2017MH003500] [Peer Review Certificate: 758/2020]

REGD. OFFICE: # 205, NADIADWALA MARKET, PODDAR ROAD, MALAD (EAST), MUMBAI-400097

Tel No. 022-28443641 Email: dmassociatesllp@gmail.com

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, 2023

To,
The Members,
RAYMOND LUXURY COTTONS LIMITED
NEW HIND HOUSE NAROTTAMMORARJI MARG
BALLARD ESTATE
FORT 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 **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 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, 2023, 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, 2023 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under: **NA**;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
4. The provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;
5. Provisions of Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the Audit Period.

We report that we have relied on the compliance certificates issued by its officers and taken on record by the Board of Directors at their meeting(s) for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. For Income tax laws and compliance of applicable accounting standards we have relied on the Audit report issued by the Statutory Auditors.

We further state that, having regard to the Compliance system prevailing in the Company and based on the compliance certificates issued by its officers and taken on record by the Board of Directors at their meeting(s), the Company has complied with the following laws Applicable specifically to the Company:

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

We have 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 notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and for meetings convened under shorter notice, if any, were in compliance with section 173(3) of the Companies Act, 2013 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting

Majority decision is carried through while there were no dissenting members' views which are to be captured and recorded as part of the minutes.

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

For DM & Associates Company Secretaries LLP
Company Secretaries

Dinesh Kumar Deora
Partner
FCS NO 5683
CP NO 4119
UDIN: F005683E000236815

Place: Mumbai
Date: May 02, 2023

Note: This report is to be read with our letter of even date that is annexed as <u>Annexure - I</u> and forms an integral part of this report.

ANNEXURE - I

To
The Members,
RAYMOND LUXURY COTTONS LIMITED
NEW HIND HOUSE NAROTTAMMORARJI MARG
BALLARD ESTATE
FORT 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: F005683E000236815

Place: Mumbai
Date: May 02, 2023

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 and has been uploaded on the Company's website. A gist of the program that the Company can undertake under the CSR policy is given below. The weblink is http://www.raymond.in

CONTENTS OF CORPORATE SOCIAL RESPONSIBILITY POLICY

Our aim is to be one of the most respected Companies in India delivering superior and sustainable value to all our customers, business partners, shareholders, employees and host communities.

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

The Company's commitment to CSR projects and programs will be by investing resources into any of the following areas:

- ✓ Improving the quality of life in rural areas;
- ✓ Eradicating hunger, poverty and malnutrition;
- ✓ Promoting healthcare including preventive healthcare;
- ✓ Employment enhancing vocational Skills;
- ✓ Promotion of education including investment in technology in schools;
- ✓ Ensuring environmental sustainability including measures for reducing inequalities faced by socially and economically backward groups;
- ✓ Promoting sports including rural and Olympic sports;
- ✓ Contribution to funds for promoting technology;
- ✓ Investing in various rural development projects;
- ✓ Contributing to the Prime Minister's National Relief Fund or any other fund setup by the Central Government for development and relief; and

Other areas approved by the CSR Committee that are covered in the CSR Rules as amended from time-to-time.

1. The composition of the CSR Committee as on the date of this report:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Atul Dharap	Chairman, Independent Director	0	0
2.	Smt. Rashmi Mundada	Member, Non-Executive Director	0	0
3.	Shri Vikram Mahaldar	Member, Executive Director	0	0

2. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: http://www.raymond.in
3. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): NA
4. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: NA

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
Not Applicable			

5. Average net profit of the company as per section 135(5): Nil

6. (a) Two percent of average net profit of the company as per section 135(5): Nil
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
(c) Amount required to be set off for the financial year, if any: NIL
(d) Total CSR obligation for the financial year (6a+6b-6c): NIL

7. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NA	Nil	Nil	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act**	**Local area (Yes/No)**	**Location of the project**		**Project duration**	**Amount allocated for the project (in Rs.)**	**Amount spent in the current financial Year (in Rs.)**	**Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)**	**Mode of Implementation - Direct (Yes/No)**	**Mode of Implementation - Through Implementing Agency**	
				State	**District**						**Name**	**CSR Registration number**
-	-	-	-	-	-	-	-	-	-	-	-	-

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

1	2	3	4	5		6	7	8	
Sl. No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act**	**Local area (Yes/No)**	**Location of the project**		**Amount spent for the project (in Rs.)**	**Mode of Implementation - Direct (Yes/No)**	**Mode of Implementation - Through Implementing Agency**	
				State	**District**			**Name**	**CSR Registration number**
Not Applicable									

(d) Amount spent in Administrative Overheads: NA

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (7b+7c+7d+7e): NA

(g) Excess amount for set off, if any: NA

Sl. No.	Particular	Amount (in Rs.)
i.	Two percent of average net profit of the company as per section 135(5)	-
ii.	Total amount spent for the Financial Year	-
iii.	Excess amount spent for the financial year [(ii)-(i)]	-
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

8. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
-	-	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing
1.	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NA

(Asset-wise details)

(a) Date of creation or acquisition of the capital asset(s): NA

(b) Amount of CSR spent for creation or acquisition of capital asset: NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

Sd/-	Sd/-
	(Chairman – CSR Committee)
Shri Vikram Mahaldar	Shri Atul Dharap
Director	Director
DIN: 07948278	DIN: 00631703

Annexure C

CONSERVATION OF ENERGY, TECHNICAL ABSORPTION AND FOREIGN EXCHANGE AND OUTGO

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

<table>
<tr><th>(A)</th><th colspan="2">Conservation of energy-</th></tr>
<tr><td>(i)</td><td>The steps taken to conserve energy</td><td>The company is making continuous efforts on an ongoing basis for energy conservation by adopting innovative measures to reduce wastage and optimize consumption. Some of the specific measures undertaken by the Company in this direction at its textile units located at Kolhapur and Amravati are as under:

Kolhapur Plant:

1. Air audit conducted and leakages trapped to reduced Energy consumption.
2. Energy saving by recovering waste heat from flash steam.
3. Installation of Energy saving brushless DC ceiling fans.
4. Replacement of low energy efficient motors with IE3/4 energy efficient motors.
5. Installation of LED Lights.
6. Energy conservation by increasing low temperature dyes in dyeing department.
7. Rainwater harvesting
8. Reduction in water consumption by recycling of generated effluent from 50% to 75%
9. Implementation of IOT.
These measures have also led to power saving, reduced maintenance time and cost, improved hygienic condition and consistency in quality and improved productivity.

Amravati Plant:

Under the EnMS (Energy management system) following Energy conservation projects implemented in FY22-23.

1. 1.Energy saving by replacement of 20 w LED by 16w LED with motion sensor.
2. Energy saving achieved – 7257 kwh.
Reduction in Dyeing RF dryer Power consumption Savings achieved – 20142 kwh.
3. Reduction in Power Consumption-Dyeing process optimization Energy saving achieved – 2492 kwh.
4. Reduction in SEC (specific energy consumption) in spinning RF dryer by power and machine working optimization Energy Saving achieved – 15275 kwh.
5. Reduction of SEC of Air in Autoconer machines by process optimization Saving achieved – 4370 kwh.</td></tr>
</table>

		6. Reduction in SEC—Weaving process optimization Saving achieved – 11710 kwh. 7. Energy saving by PFC (pressure flow control) installation in compressor Saving achieved – 17341 kwh. 8. Total saving achieved – 78587 kwh.
(ii)	The steps taken by the company for utilizing alternate sources of energy;	**Kolhapur Plant:** Installed I MW Roof top solar as a step towards sustainable initiative by use of renewable energy in FY 21-22. **Amravati Plant:** Previously installed solar streetlights (motion sensor based) contribute @ 0.0017% as a source of renewable energy against total energy consumption of the plant.
(iii)	The capital investment on energy conservation equipment's.	The Capital investment on energy conservation equipment's is Rs. 16.27 lakhs during the FY 22-23 in kolhapur. The Capital investment on energy conservation equipment's is Rs.21 lakhs in Amravati.
(B)	**Technology absorption-**	
(i)	The efforts made towards technology absorption;	**Kolhapur Plant:** 1. Use low temperature Avitra dyes in dyeing. 2. Installation of IOT projects. 3. Use of Automated Guided Vehicle (AGV) for yarn transport to and from Yarn godown to Dyeing. **Amravati Plant:** 1. Installation of pellet manufacturing machine to make pellets from in-house generated linen waste dust and use as a partial fuel along with coal in boiler. 2. Energy conservation by new technology -Installation of Godrej Control Air IFC system at compressor air lines – Main machine airline and cleaning machine airline by providing demand side control solution through Control Air™ Intelligent Flow Control System for Main Plant Compressed Air Network 3. Installed air consumption monitoring system on Autoconer machines as these machines are significant air consuming machines. The system of air monitoring at Autoconer machines not only benefited from energy conservation aspect but also add on digitalisation initiative of machine data which will be one step towards IOT (Internet on thing).

(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution;	**Kolhapur Plant:** 1. Cost reduction in manufacturing in spite of increase in inputs and reduction percentage improvement. 2. Below new fabrics were introduced/developed: 3. *Eco fresh LIV – sustainable Fabric. **Amravati Plant:** 1. Pellet machine Benefits – a) Indirect saving in coal consumption of approx. 30MT/annum d)Direct saving of linen dust waste disposal of approx. 1.5 Lakh/annum 2. Benefits of the IFC system - a) Energy conservation -has isolated Generation and Demand sides to reduce artificial demand on Air Compressors, resulting in Energy Savings.Approx.4 % power units saving achieved. b) Pressure Fluctuations reduced from +/- 0.5 bar to +/- 0.20 bar there by providing pressure stability at main machine compressed air network and at cleaning air network. c) Manual intervention of controlling compressed air pressure for cleaning air eliminated. 3. Benefit of air consumption monitoring system at Autoconer machines (spinning dept) The system of air monitoring at Autoconer machines not only benefited from energy conservation aspect but also add on digitalisation initiative of machine data which will be one step towards IOT (Internet on thing).
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
(a)	The details of technology imported;	
(b)	The year of import;	
(c)	Whether the technology been fully absorbed; and	
(d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	The expenditure incurred on Research and Development	

(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 ₹ 4800.62 Lakh (Previous Year: ₹ 3372.17 Lakh). The Foreign Exchange outgo during the year was ₹ 11971.49 Lakh (Previous Year: ₹ 7747.74 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, 2023, 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, 2023 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.

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.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

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

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.

(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 does not have any pending litigations which has impact on its financial position in its financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023.

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

d.

i. The management has represented that, to the best of its knowledge and belief and as disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries

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

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

e. The Company has not declared or paid any dividend during the year ended 31 March 2023.

f. Proviso to Rule 3 (1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

Lalit R. Mhalsekar
Partner
Membership No.103418
UDIN: 23103418BGXVIP2008

Place: Mumbai
Date: 02 May 2023

Annexure A to Independent Auditor's Report – March 31, 2023

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, 2023, we report the following:

i. a) i) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right of use assets.
ii) The Company has maintained proper records showing full particulars of intangible assets.

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

c) According to the information and explanations given to us and the records examined by us, the title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

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

e) According to information & explanations and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i) (e) of the Order is not applicable to the Company.

ii. (a) As explained to us and on the basis of the records examined by us, in our opinion, physical verification of the inventories have been conducted at reasonable intervals by the management and having regard to the size and nature of business of the Company and nature of its inventory, the coverage and procedures of such verification by the management is appropriate. As explained to us and on the basis of the records examined by us and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of inventories when compared with books of account.

(b) As per the information and explanation given to us and on the basis of examination of books of accounts and other records produced before us, the Company has a working capital limit in excess of Rs 5 crores sanctioned by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were subject to audit.

iii. As per the information and explanations given to us and books of accounts and records examined by us, the Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations provided to us, during the year the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act and the Company has not made investment hence, provision of Section 186 of the Act is not applicable to the Company. Accordingly paragraph 3(iv) of the order is not applicable to the Company.

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

vi. According to the information and explanation given to us, We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of manufacturing activities and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

vii. In respect of statutory dues:

(a) According to the records examined by us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, , duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further according to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, outstanding at March 31, 2023 for a period of more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us, there are no statutory dues referred to in sub clause (a) above that have not been deposited with the appropriate authorities on account of any dispute except for the following.

Name of the statute	Nature of dues	Gross Amount (₹ in lakhs)	Amount paid under Protest (₹. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1962	Disallowance in relation to doubtful debts and Deduction u/s 80G	6.55	0	AY 2018-19	CIT (A) 50, Mumbai

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

ix. (a) In our opinion and according to the information and explanations given and books of accounts and records examined by us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks and representation received from the management of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given and records examined by us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, we report that, *prima facie*, funds raised by the Company on short term basis have not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

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

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3 (x) (b) of the Order is not applicable to the Company.

xi. (a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) According to information and explanation given to us, No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

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

xii. In our opinion, the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date.

xv. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.

xvi. (a) To the best of our knowledge and according to the information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.

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

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

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

xvii. In our opinion, and according to the information and explanations provided to us, the Company has not incurred cash losses in the current financial year and previous financial year.

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

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. According to the information and explanations given to us, although the Company fulfilled the criteria as specified under Section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company

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

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

Lalit R. Mhalsekar
Partner
Membership No.103418
UDIN: 23103418BGXVIP2008

Place: Mumbai
Date: 02 May 2023

Annexure B to Independent Auditor's Report – March 31, 2023 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, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to these standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to these standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

Lalit R. Mhalsekar
Partner
Membership No.103418
UDIN: 23103418BGXVIP2008

Place: Mumbai
Date: 02 May 2023

Raymond Luxury Cottons Limited

New Hind House Narottam morarji Marg Ballard Estate Fort Mumbai Mh 400001
CIN - U17120MH2004PLC149276

Balance sheet as at 31st March 2023

(Rs. in Lakhs)

Sr No.	Particulars	Note	March 2023	March 2022
I	**ASSETS**			
1	**Non-current Assets**			
	a) Property, Plant and Equipment	2	**30,870.85**	34,412.32
	b) Capital work-in-progress	2	**69.21**	23.78
	c) Right-of-Use Assets	2.1	**228.17**	242.14
	d) Intangible assets	3	**0.09**	0.35
	e) Financial Assets			
	(i) Others financial assets	4	**55.24**	54.36
	f) Deferred Tax Assets (Net)	5b	**97.54**	727.93
	g) Assets for Income Tax (Net)		**132.02**	18.29
	h) Other non-current assets	6	**3,426.06**	3,415.55
2	**Current assets**			
	a) Inventories	7	**13,450.88**	12,623.46
	b) Financial Assets			
	(i) Investments	8	**2,023.39**	-
	(i) Trade receivables	9	**10,822.09**	10,477.04
	(ii) Cash and cash equivalents	10	**0.27**	2,000.27
	(iii) Bank Balances other than Cash and cash equivalents	11	**320.20**	1,034.29
	(iv) Loans	12	**2.09**	0.61
	(v) Others financial asset	13	**1,095.90**	951.55
	c) Other current assets	14	**476.36**	465.80
	TOTAL ASSETS		**63,070.36**	66,447.74
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	15	**16,868.00**	16,868.00
	b) Other equity	16	**10,287.38**	8,824.54
	Liabilities			
2	**Non-current liabilities**			
	a) Financial Liabilities			
	(i) Borrowings	17	**7,614.10**	7,616.25
	(ii) Lease liability	18	**295.08**	303.53
	b) Provisions	23	**214.71**	81.85
	c) Other non - current liabilities	19	**1,466.12**	1,797.80
3	**Current liabilities**			
	a) Financial Liabilities			
	(i) Borrowings	20	**8,337.91**	13,230.06
	(ii) Lease liability	22	**9.83**	8.96
	(iii) Trade payables	21		
	-Total outstanding dues of micro enterprises and small enterprises		**1,258.14**	769.27
	-Total outstanding dues of creditors other than micro enterprises and small enterprises		**14,040.19**	14,548.31
	(iv) Other financial liabilities	22	**1,491.82**	1,276.84
	b) Provisions	23	**577.93**	535.69
	c) Other current liabilities	24	**609.15**	586.64
			63,070.36	66,447.74
	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

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number: 103418
Mumbai, 2 May, 2023

For and on Behalf of Board of Directors

Sd/-
Vikram Mahaldar
Director
DIN: 07948278

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Srinivasa Bharadwaja Vajha
Chief Financial Officer
Mumbai, 2 May, 2023

Sd/-
Mohammad Waqar Siddiqui
Company Secretary

Raymond Luxury Cottons Limited

New Hind House Narottam morarji Marg Ballard Estate Fort Mumbai Mh 400001
CIN - U17120MH2004PLC149276

Statement of Profit and Loss for the year ended 31st March 2023

(Rs. in Lakhs)

Sr No.	Particulars	Note	Year Ended March 2023	March 2022
I	**INCOME**			
	Revenue from Operations	25	**76,198.49**	57,176.40
	Other Income	26	**968.41**	586.47
	Total Income		**77,166.90**	57,762.87
II	**EXPENSES**			
	Cost of materials consumed	27	**41,318.92**	28,177.99
	Changes in inventories of finished goods and work-in progress	28	**(2,904.00)**	(669.22)
	Employee benefits expense	29	**8,198.98**	7,521.81
	Finance costs	30	**2,187.13**	1,886.35
	Depreciation and amortization expense	31	**3,836.25**	3,911.70
	Other expenses	32		
	i) Manufacturing and Operating Costs	32 A	**18,361.52**	14,115.49
	ii) Other expenses	32 B	**3,715.06**	2,547.57
	Total expenses		**74,713.86**	57,491.69
III	**Profit before exceptional items and tax (I-II)**		**2,453.04**	271.18
IV	**Profit before tax**		**2,453.04**	271.18
V	**Tax expense**	5		
	Current tax		**205.55**	32.42
	Tax Pertaining to earlier years			
	MAT Credit availed/Receivable		**(205.55)**	(32.42)
	Deferred tax charge/(Credit)		**889.82**	127.25
VI	**Profit/(Loss) for the period (IV - V)**		**1,563.23**	143.93
VII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements Gain/(Loss) of net defined benefit plans	38	**(154.18)**	(90.92)
	(ii) Income tax (Charge)/Crediton (i) above		**53.88**	31.77
	Other Comprehensive Income for the quarter/year (i-ii)		**(100.30)**	(59.15)
VIII	**Total Comprehensive Income for the year (VI + VII)**		**1,462.92**	84.78
IX	**Earnings per equity share of Rs. 10 each (in Rs.):**			
	Basic	57	**0.93**	0.09
	Diluted		**0.93**	0.09
	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

For and on Behalf of Board of Directors

Sd/-
Vikram Mahaldar
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DIN: 07173161

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number: 103418
Mumbai, 2 May, 2023

Sd/-
Srinivasa Bharadwaja Vajha
Chief Financial Officer
Mumbai, 2 May, 2023

Sd/-
Mohammad Waqar Siddiqui
Company Secretary

Raymond Luxury Cottons Limited

New Hind House Narottam morarji Marg Ballard Estate Fort Mumbai Mh 400001
CIN - U17120MH2004PLC149276

Statement of Cash Flow for the year ended 31st March 2023

(Rs. in Lakhs)

Particulars	Year ended March 2023	Year ended March 2022
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	**2,453.04**	271.18
Adjustments for:		
Depreciation and amortisation expenses	**3,836.25**	3,911.70
Loss/(gain) on sale of fixed assets	**1.63**	2.20
Interest income	**(0.79)**	(70.76)
Unrealised exchange (loss)/Gain	**(152.04)**	(82.38)
Finance Costs	**2,187.13**	1,886.35
Net gain on sale of current investments	**(23.39)**	-
Deferred Income on Government Grant	**(340.30)**	(346.76)
Remeasurements Gain/(Loss) of net defined benefit plans	**(154.18)**	(90.92)
Operating profit before working capital changes	**7,807.36**	5,480.60
Adjustments for:		
Decrease/(Increase) in Trade and Other Receivables	**614.87**	(2,378.05)
Decrease/(Increase) in Inventories	**(827.42)**	(3,558.77)
(Decrease)/Increase in Liabilities and Provision	**265.73**	5,331.72
Cash generated from operations	**7,860.52**	4,875.51
Taxes (paid)/refund	**(1,178.75)**	(143.04)
Net cash generated from operating activities - [A]	**6,681.77**	4,732.46
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment/ intangible assets/CWIP	**(330.46)**	285.28
Sale proceeds of property, plant and equipment	**3.47**	12.75
Purchase/sale of current investments (Net)	**(2,000.00)**	-
Interest received	**0.79**	70.76
Net cash used in investing activities - [B]	**(2,326.20)**	368.79
CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of borrowings	**(1,744.57)**	(547.95)
Short Term borrowings availed / Repaid - (net)	**(3,149.73)**	(609.96)
Leases Paid	**28.98**	(35.65)
Interest Paid	**(2,204.34)**	(1,882.09)
Net cash generated from financing activities - [C]	**(7,069.66)**	(3,075.65)
Net increase/(decrease) in cash and cash equivalents - [A+B+C]	**(2,714.09)**	2,025.60
Add: Cash and cash equivalents at the beginning of the year (Refer note no 10)	**3,034.56**	1,008.96
Cash and cash equivalents at the end of the year (Refer note no 10)	**320.47**	3,034.56
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, 2023				
Long term borrowings including Current Maturities	**11,559.63**	**-**	**(1,744.57)**	**9,815.06**
Short term borrowings	**9,286.68**	**-**	**(3,149.73)**	**6,136.95**
Interest accrued on long term borrowings	**58.43**	**-**	**(20.13)**	**38.30**
For the year eneded March 31, 2022				
Long term borrowings	12,107.58	-	(547.95)	11,559.63
Short term borrowings	9,896.64	-	(609.96)	9,286.68
Interest on accrued on long term borrowings	64.72	-	(6.29)	58.43

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

For and on Behalf of Board of Directors

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Director
DIN: 07948278

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Chief Financial Officer
Mumbai, 2 May, 2023

Sd/-
Mohammad Waqar Siddiqui
Company Secretary

Raymond Luxury Cottons Limited

New Hind House Narottam morarji Marg Ballard Estate Fort Mumbai Mh 400001

CIN - U17120MH2004PLC149276

Statement of Changes in Equity as at 31st March 2023

A. Equity share capital

(Rs. in Lakhs)

Particulars	Note	Equity Share Capital
As at 31 March 2021		16,868.00
Changes in equity share capital	13A	-
As at 31 March 2022		16,868.00
Changes in equity share capital	13A	-
As at 31 March 2023		**16,868.00**

B. Other equity

(Rs. in Lakhs)

Particulars	Note	Retained Earnings	Other Comprehensive Income	Total Reserves and Surplus
Retained Earnings				
Balance as at 1st April 2021	13B	8,789.99	(50.23)	8,739.76
Addition during the year		143.93	(59.15)	84.78
Balance as at 31st March 2022		8,933.92	(109.38)	8,824.54
Addition during the year		**1,563.23**	**(100.30)**	**1,462.92**
Balance as at 31st March 2023		**10,497.06**	**(209.68)**	**10,287.38**
The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.				

As per our Report of even date

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

For and on Behalf of Board of Directors

Sd/-
Vikram Mahaldar
Director
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Sd/-
Srinivasa Bharadwaja Vaj
Chief Financial Officer
Mumbai, 2 May, 2023

Sd/-
Mohammad Waqar Siddiqui
Company Secretory

Raymond Luxury Cottons Limited
Notes to the Financial Statements

BACKGROUND
Raymond Luxury Cottons Limited ('the Company') (CIN: U17120MH2004PLC149276), incorporated in Mumbai, Maharashtra, India, carries on business of textiles. The Company is involved in manufacturing of Linen Yarn, Cotton and Linen fabric. The Company is a subsidiary of Raymond Limited.

Note 1 :- STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF PREPARATION

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

The accounting policies have been consistantly applied except, where a newly issued accounting standards is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

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

(iii) Current non-current classification
All assets and liabilities have been classified as current or non current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

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

Recent accounting development

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1
Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12
Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8
Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

(B) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

All items of property, plant and equipments are stated at cost of acquisition, less accumulated depreciation and impairments, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.
Expenses incurred relating to project, prior to commencement of commercial operations are considered as project development expenditure and shown under Capital Work In Progress.

(b) Depreciation and amortisation

(i) Depreciation on Factory Buildings and Plant and Machinery is provided on a Straight Line Method and in case of other assets on Written Down Value Method, over the estimated useful life of assets. Based on an independent technical evaluation, the useful life of Plant and Machinery was estimated as 24 years (on a single shift basis), which is different from that prescribed in Schedule II of the Act.

The useful life of factory building has been taken as 19 years and 20 years based on the management estimate for the additions made during the year which is different from that prescribed in Schedule II of the Act.

(ii) Cost of Leasehold Land is amortized over the period of lease.

(iii) Depreciation on additions to assets or on sale/discardment of assets, is calculated pro rata from the month of such addition or up to the month of such sale/ discardment, as the case may be.

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

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

(c) Intangible assets

i) **Computer Software**

Computer software are stated at cost of acquisition, less accumulated amortization and impairments, if any.

ii) **Amortisation methods and useful life**

The Company amortises computer software using the straight-line method over the period of 3 years. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss.

(d) Lease

Company as a lessee

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been presented in the Balance Sheet as a part of Property, plant and equipment and lease payments have been classified as financing cash flows.

Company as a lessor

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

(e) Cash and Cash Equivalents

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

Cash Flow

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

(f) Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional and shall be initially measured at their transaction price unless those contain a significant financing component.

(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

All Financial Assets are initially recognized at fair value except for trade receivable which is measured initially at transaction cost. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.
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 towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

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

<u>i) Basic earnings per share</u>

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. 1

<u>ii) Diluted earnings per share</u>

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

1) the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

2) the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

(v) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(w) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors assesses the financial performance and position of the company, and makes strategic decisions.

(x) Use of Estimates and Judgement

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

(C) CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

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

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

2) Taxes : The Entity provides for tax considering the applicable tax regulations and based on probable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.

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

4) 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.

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 2021	252.47	11,864.65	44,350.62	384.50	0.55	64.79	56,917.58	223.57
Additions	-	176.57	169.46	46.58	-	8.47	401.07	201.28
Disposals	-	-	131.31	1.71	-	-	133.01	(401.07)
Relclassification	-	-	-	-	-	-	-	-
Balance as at 31st March 2022	252.47	12,041.22	44,388.77	429.37	0.55	73.26	57,185.65	23.78
Additions	**-**	**-**	**238.10**	**-**	**33.22**	**14.33**	**285.66**	**331.09**
Disposals	**-**	**-**	**55.08**	**-**	**-**	**-**	**55.08**	**(285.66)**
Relclassification	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at 31st Mar 2023	**252.47**	**12,041.22**	**44,571.79**	**429.37**	**33.78**	**87.59**	**57,416.22**	**69.21**
Accumulated Depreciation								
Balance as at 31st March 2021	16.62	1,978.91	16,678.75	269.30	0.41	51.56	18,995.55	
Charge for the year	2.77	477.59	3,377.03	32.13	-	6.32	3,895.82	
Disposals	-	-	116.45	1.62	-	-	118.07	
Balance as at 31st March 2022	19.39	2,456.50	19,939.33	299.80	0.41	57.88	22,773.32	
Charge for the year	**2.77**	**457.16**	**3,323.20**	**24.92**	**6.92**	**7.06**	**3,822.02**	
Disposals	**-**	**-**	**49.97**	**-**	**-**	**-**	**49.97**	
Balance as at 31st Mar 2023	**22.16**	**2,913.66**	**23,212.56**	**324.72**	**7.33**	**64.93**	**26,545.36**	
Net Carrying Amount								
Balance as at 31st March 2022	233.08	9,584.72	24,449.44	129.56	0.14	15.38	34,412.32	
Balance as at 31st Mar 2023	**230.31**	**9,127.56**	**21,359.24**	**104.65**	**26.45**	**22.66**	**30,870.85**	

The lease term in respect of asset acquired under finance lease expires after a periods of 95 years. As per agreement, the lesser shall grant the lessee a new lease of the demised premises for a further term of 95 years. The option lapses if the lessee do not comply with the covenants and conditions as mentioned in the lease agreement. Other than Land there are two more assets taken on Lease which have 5 years lease term, which are included in above Lease assets as per Ind AS 116.

Assets pledged as security agaist borrowing refer note no 37

*** Capital Work in Progress Ageing as at 31st March, 2023**

(Rs. in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	**69.21**	**-**	**-**	**-**	**69.21**
Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**

(Rs. in lakhs)

CWIP	To be completed in				Total
	Less than1 year	1-2 years	2-3 years	More than 3 years	
Project exceeded Original Cost	**-**	**-**	**-**	**-**	**-**

Capital Work in Progress Ageing as at 31st March, 2022

(Rs. in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	23.78	-	-	-	23.78
Projects temporarily suspended	-	-	-	-	-

(Rs. in lakhs)

CWIP	To be completed in				Total
	Less than1 year	1-2 years	2-3 years	More than 3 years	
Project exceeded Original Cost	-	-	-	-	-

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 2021	282.93	282.93
Transition on account of adoption of Ind AS 116*	-	-
Additions	-	-
Disposals	-	-
Balance as at 31st March 2022	282.93	282.93
Additions	-	-
Disposals	-	-
Balance as at 31st Mar 2023	**282.93**	**282.93**
Accumulated Depreciation		
Balance as at 1st April 2021	26.83	26.83
Charge for the year	13.96	13.96
Disposals	-	-
Balance as at 31st March 2022	40.79	40.79
Charge for the year	**13.96**	**13.96**
Disposals	**-**	**-**
Balance as at 31st Mar 2023	**54.76**	**54.76**
Net Carrying Amount		
Balance as at 31st Mar 2023	**228.17**	**228.17**
Balance as at 31st March 2022	242.14	242.14

* Leasehold Building is reclassified on account of adoption of Ind AS 116

Note: 3 - Intangible Assets

(Rs. in lakhs)

Particulars	Software	Total
Gross Carrying Amount		
Balance as at 31st March 2021	26.25	26.25
Additions	1.39	1.39
Disposals	-	-
Balance as at 31st March 2022	27.63	27.63
Additions	**-**	**-**
Disposals	**-**	**-**
Balance as at 31st Mar 2023	**27.63**	**27.63**
Accumulated Depreciation		
Balance as at 31st March 2021	25.37	25.37
Charge for the year	1.90	1.90
Disposals	-	-
Balance as at 31st March 2022	27.28	27.28
Charge for the year	**0.26**	**0.26**
Disposals	**-**	**-**
Balance as at 31st Mar 2023	**27.53**	**27.53**
Net Carrying Amount		
Balance as at 31st Mar 2023	**0.09**	**0.10**
Balance as at 31st March 2022	0.36	0.36

other than Internally generated.

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 4 - Other financial assets
(Unsecured and considered good, unless otherwise stated)

(Rs. in Lakhs)

Particulars	March 2023	March 2022
Security Deposits	**55.24**	54.36
Total	**55.24**	54.36

Note: 5(a): Income Tax
Tax expense recognised in the Statement of Profit and Loss

(Rs. in lakhs)

Particulars	March 2023	March 2022
Current tax		
Current year	**205.55**	32.42
MAT credit entitlement	**(205.55)**	(32.42)
Total	**-**	-

Deferred tax		
Origination and reversal of temporary difference	889.82	127.25
Total deferred income tax expense/(credit)	**889.82**	127.25
Income tax expense/(credit) for current year	889.82	127.25
Income tax expense for earlier years	-	-
Total income tax expense/(credit)	**889.82**	127.25

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)

Particulars	March 2023	March 2022
Reconciliation of effective tax rate		
Profit before tax	**2,453.04**	271.18
Enacted income tax rate in India (%)	**34.94**	34.94
Income Tax expense as per enacted rate	**857.19**	94.76
Tax pertaining to Previous years	**-**	(17.18)
Tax effect of adjustment to reconcile income tax expenses as per enacted rate with reported income tax expenses		
Differences due to:		
Expenses not deductible for tax purposes	**31.63**	17.25
Others Specified as below:		
Other items	**1.00**	-
Income tax expense/(credit) for current year	**889.82**	94.82
Effective tax rate (%)	**36.27%**	34.97%

Consequent to reconciliation items shown above, the effective tax rate is 36.27% (2021-22: 34.97%)

Note: 5(b): Income Tax

The movement in deferred tax assets and liabilities for the year ended 31st March 2023:

(Rs. in lakhs)

Particulars	March 2022	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	**March 2023**
Deferred tax assets/(liabilities)				
Provision for post retirement benefits and other employee benefits	236.08	61.19	-	**297.27**
Provision for doubtful debts and advances	405.89	(392.16)	-	**13.73**
Expenses allowable for tax purposes when paid	113.20	-	-	**113.20**
Depreciation	(3,753.47)	210.37	-	**(3,543.09)**
Other temporary differences(Unabsorbed Losses)	2,130.46	(774.09)	-	**1,356.36**
Transaction cost for Borrowings	(2.11)	10.86	-	**8.75**
Interest cost on lease liability	30.79	9.90	-	**40.69**
Lease rent paid/payable	(36.91)	(20.77)	-	**(57.68)**
Depreciation on right to use asset	14.25	4.88	-	**19.13**
MAT credit receivable	1,539.36	205.55	-	**1,744.91**
Remeasurements of net defined benefit plans	50.39	-	53.88	**104.27**
Total Deferred Tax Asset / (Liabilities)	727.93	(684.27)	53.88	**97.54**

Note: 6 - Other non-current assets

(Rs. in Lakhs)

Particulars	March 2023	March 2022
Capital advances (Refer note 35(a))	**15.16**	-
Prepaid Rent - Leasehold Land	**-**	-
Balance with government authorities	**3,410.90**	3,415.55
Total	**3,426.06**	3,415.55

Note: 7 - Inventories

(Rs. in lakhs)

Particulars	March 2023	March 2022
Raw Materials	**3,512.72**	5,538.81
Raw Materials - In Transit	**42.88**	-
Work-in-progress	**5,437.70**	4,059.88
Finished goods	**3,587.35**	2,061.17
Finished goods- In Transit	**-**	-
Stock-in-trade		
Stock-in-trade - In Transit		
Stores and Spares	**854.66**	944.64
Stores and Spares - In Transit	**15.57**	18.96
Total	**13,450.88**	12,623.46

Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Write-downs of inventories amounted to Rs. 986.79 lakhs as at 31st March, 2023 (as at 31st March, 2022 - Rs. 832.34 lakhs). These write-downs were recognised as an expense and included in 'changes in inventories of finished goods, stock-in-trade, work-in-progress and property under development' in the Statement of Profit and Loss.

Note: 8 - Investments
(Trade, Quoted)

(Rs. in lakhs)

Particulars	March 2023	March 2022
Investment measured at Fair value through Profit and Loss		
Investments in Mutual Funds (Units of Rs. 10 each, unless otherwise specified)		
(a) Aditya Birla Sun Life Crisil IBX AAA - June 2023, Index Fund Direct Growth(31st March, 2022 - Nil)	2,023.39	-
Total	**2,023.39**	**-**
Market value of quoted investments	2,023.39	-

Refer Note: 40 for information about credit risk and market risk of investments.
Refer Note: 44 for information about fair value measurement.

Raymond Luxury Cottons Limited
Notes to the Financial Statements
Note: 9 - Trade receivables

(Rs. in lakhs)

Particulars	March 2023	March 2022
Unsecured, considered good		
Related parties (Refer Note- 39)	4,701.83	5,145.36
Other parties	6,154.24	5,365.65
Less: Allowance for bad and doubtful debts*	(33.97)	(33.97)
Considered doubtful		
Related parties (Refer Note- 39)	-	1,122.24
Less: Allowance for bad and doubtful debts*	-	(1,122.24)
Total	**10,822.09**	10,477.04

Trade Receivable ageing as at 31st March 2023

Particulars	Not due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed							
Related Parties	-	-	-	-	-	-	-
Others	-	-	-	-	-	33.97	33.97
Less:- Provision	-	-	-	-	-	(33.97)	(33.97)
Net Disputed(a)	-	-	-	-	-	(0.00)	(0.00)
Secured disputed							
Unsecured Disputed	-	-	-	-	-	(0.00)	(0.00)
Undisputed							
Related Parties	4,194.89	476.82	9.03	21.08	-	-	4,701.83
Others	4,652.78	1,467.05	0.03	0.41	-	-	6,120.27
Less:- Provision	-	-	-	-	-	-	-
Net undisputed(b)	8,847.67	1,943.87	9.06	21.49	-	-	10,822.09
Total (a+b)	8,847.67	1,943.87	9.06	21.49	-	(0.00)	10,822.09
Secured undisputed							
Unsecured Undisputed	8,847.67	1,943.87	9.06	21.49	-	-	10,822.09
Total Secured	-	-	-	-	-	-	-
Total Unsecured	8,847.67	1,943.87	9.06	21.49	-	(0.00)	10,822.09

Raymond Luxury Cottons Limited
Notes to the Financial Statements
Trade Receivable ageing as at 31st March 2022

Particulars	Not due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed							
Related Parties	-	-	-	-	-	1,122.24	1,122.24
Others	-	-	-	-	-	33.97	33.97
Less:- Provision	-	-	-	-	-	(1,156.22)	(1,156.22)
Net Disputed(a)	-	-	-	-	-	-	-
Secured disputed	-	-	-	-	-	-	-
Unsecured Disputed	-	-	-	-	-	-	-
Undisputed							
Related Parties	4,619.11	511.33	14.34	0.57	-	-	5,145.36
Others	3,201.21	2,076.53	-	52.68	1.26	-	5,331.68
Less:- Provision	-	-	-	-	-	-	-
Net undisputed(b)	7,820.32	2,587.86	14.34	53.26	1.26	-	10,477.04
Total (a+b)	7,820.32	2,587.86	14.34	53.26	1.26	-	10,477.04
Secured undisputed							
Unsecured Undisputed	7,820.32	2,587.86	14.34	53.26	1.26	-	10,477.04
Total Secured	-	-	-	-	-	-	-
Total Unsecured	7,820.32	2,587.86	14.34	53.26	1.26	-	10,477.04

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.

*Pursuant to the settlement agreement between the Company and Cotonificio Honegger S.P.A dated 17th January, 2023 filed with NCLT for approval has received favorable reply from NCLT vide order dated 19th April 2023. Accordingly, Board of Directors of the Company has decided to the buy-back of its fully paid-up equity shares of Rs. 10/ - (Rupees Ten Only) each not exceeding 4,21,70,000 (Four Crore Twenty One Lakh Seventy Thousand Only) Equity Shares at a price of Rs. 4.65/- (Rupees Four Paise Sixty Five Only) per equity share at aggregate consideration not exceeding Rs. 19,60,90,500/ - (Rupees Nineteen Crore Sixty Lakh Ninety Thousand Five Hundred Only). Further company has paid the said amount of Rs. 19,60,90,500/- on 28th April, 2023 as a full and final settlement. Hence there receivable balance outstanding of Rs. 1,122.24 Lacs from Cotonificio Honegger S.P.A is written off and also the provision for doubtful debts of Rs. 1,122.24 Lacs against receivable balance of Rs. 1,122.24 is reversed on March 31, 2023.

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

(Rs. in lakhs)

Particulars	March 2023	March 2022
Balance as at beginning of the year	**1,156.21**	1,156.21
Provision reversed during the year	**(1,122.24)**	-
Balance as at the end of the year	**33.97**	1,156.21

Note: 10 - Cash and cash equivalents

(Rs. in lakhs)

Particulars	March 2023	March 2022
Balances with Banks in current accounts	**0.24**	2,000.24
Cash on hand	**0.03**	0.03
Total	**0.27**	2,000.27

Note: 11 - Bank Balances other than Cash and cash equivalents

(Rs. in lakhs)

Particulars	March 2023	March 2022
Balances head as Margin money deposits	**320.20**	1,034.29
Total	**320.20**	1,034.29

Note: 12 - Loans

(Rs. in lakhs)

Particulars	March 2023	March 2022
Loans to employees	**2.09**	0.61
	2.09	0.61

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 13 - Other Financial Assets

(Rs. in lakhs)

Particulars	March 2023	March 2022
Considered good		
Other assets		
- Related Party	**124.77**	0.22
- Other	**7.78**	2.92
Export benefits receivables	**49.22**	14.50
Interest Receivable - Other	**-**	19.78
Interest Subsidy Receivable*	**914.13**	914.13
Total	**1,095.90**	951.55

*Intrest Subsidy Receivable of Rs. 914.13 Lacs is outstanding more than 1 year. However total sanction received from Commissioner Textile, Nagpur for Rs 917 lacs. during Oct.21 to Dec.21. Post receipt of sanction, the company is following up with Ministry Of Textile for receipt of funds at earliest dates. There's a recent inspection at Kolhapur Unit, successfully completed on 12th April 2023 by Regional District Center (RDC) Solapur team on instruction of Textile Commissioner Office, Nagpur. Our liaison team is following up with concerned for earliest disposal of subsidy amounts.

Note: 14 - Other Current Assets

(Rs. in lakhs)

Particulars	March 2023	March 2022
Advances to Suppliers	**185.54**	215.50
Balance with government authorities	**52.46**	71.52
Prepaid expenses	**189.33**	127.71
Other advances	**6.45**	0.62
Export benefits receivables	**42.58**	50.45
Total	**476.36**	465.80

Note: 15 - Share capital

(Rs. in lakhs)

Particulars	March 2023	March 2022
Authorised 210,000,000 (31st March, 2021 210,000,000) Equity Shares of Rs. 10 each	**21,000.00**	21,000.00
Issued 207,000,000 (31st March, 2021: 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, 2021: 168,680,000) Equity Shares of Rs. 10 each	**16,868.00**	16,868.00
	16,868.00	16,868.00

a) Reconciliation of number of shares

Particulars	March 2023		March 2022	
	Number of shares	Amount (Rs. in lakhs)	Number of shares	Amount (Rs. in lakhs)
Equity Shares :				
Balance as at the beginning of the year	**16,86,80,000**	**16,868.00**	16,86,80,000	16,868.00
Add: Shares issued during the year*	**-**	**-**	-	-
Balance as at the end of the year	**16,86,80,000**	**16,868.00**	16,86,80,000	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	March 2023		March 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Raymond Limited*	12,76,80,000	75.69%	12,76,80,000	75.69%
Cottonificio Honegger S.P.A**	4,10,00,000	24.31%	4,10,00,000	24.31%

* including equity shares jointly held with nominee shareholders

**Pursuant to the settlement agreement between the Company and Cotonificio Honegger S.P.A dated 17th January, 2023 filed with NCLT for approval has received favorable reply from NCLT vide order dated 19th April 2023. Accordingly, Board of Directors of the Company has decided to the buy-back of its fully paid-up equity shares of Rs. 10/ - (Rupees Ten Only) each not exceeding 4,21,70,000 (Four Crore Twenty One Lakh Seventy Thousand Only) Equity Shares at a price of Rs. 4.65/- (Rupees Four Paise Sixty Five Only) per equity share at aggregate consideration not exceeding Rs. 19,60,90,500/ - (Rupees Nineteen Crore Sixty Lakh Ninety Thousand Five Hundred Only). Further company has paid the said amount of Rs. 19,60,90,500/- on 28th April, 2023 as a full and final settlement.

Raymond Luxury Cottons Limited
Notes to the Financial Statements

16. Other equity

(Rs. in Lakhs)

	Reserves and Surplus
Retained Earnings	
Balance as at 31st March 2021	**8,739.76**
Profit for the year	143.93
Other Comprehensive Income for the year	(59.15)
Total Comprehensive Income for the year	84.78
Balance as at 31st March 2022	**8,824.54**
Profit for the year	1,563.23
Other Comprehensive Income for the year	(100.30)
Total Comprehensive Income for the year	**1,462.92**
Balance as at March 2023	**10,287.38**

Note: 17 - Non-current liabilities Borrowings

(Rs. in lakhs)

Particulars	March 2023	March 2022
Secured		
Term loans from banks (Refer note 37)	**7,614.10**	7,616.25
Total	**7,614.10**	7,616.25
Nature of Security and terms of repayment for Long Term secured borrowings:		

Nature of Security and balance outstanding	Terms of Repayment**
i) Term loan under Non revolving facility of Rs. 6,500 Lakhs (31st March 2022: Rs. Nil) is refinance of unsecured loan from Promoter/Group Company (Raymond Limited) with tennure of 48 months. The facility is secured against first exclusive charge over all immoveable properties in the Amravati manufacturing plant having minimum security cover of 1.5x. First exclusive charge by way of hypothication moveable fixed assets i.e. P&M of Amravati manufacturing plant	Repayable in 12 quarterly installments each commencing from the date of disbursement. Rate of interest as at year end will be Marginal cost of funds based lending rate (MCLR) prevailing from time to time.
ii) Term loan under TUFS of Rs. Nil (31st March 2022: Rs. 260 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 which shall be sum of Base rate plus spread plus applicable interest tax or any other statutory levy. Spread will be reset every 12 months from the disbursement of loan.
iii) Term loan under TUFS of Rs. Nil (31st March 2022: Rs. 201.66 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 which shall be sum of Base rate plus spread plus applicable interest tax or any other statutory levy. Spread will be reset every 12 months from the disbursement of loan
iv) Term loan under TUFS of Rs. 233.63 Lakhs (31st March 2022: Rs. 467.25 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 which shall be sum of Base rate plus spread plus applicable interest tax or any other statutory levy. Spread will be reset every 12 months from the disbursement of loan.
v) Term loan under TUFS of Rs. Nil (31st March 2022: Rs. 6,667.72 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 linked to MCLR for 1st year. The interest rate will be reset every 12 months from the disbursement of loan.
vi) Guranteed Emergency Credit Line 2.0 - Fund based Working Capital term Loan of Rs. 237.65 Lakhs (31st March 2022: Rs. 300 Lakhs) is secured by way of extension of charges (2nd Charge) over existing Primary Security.	Repayable in 48 equal monthly installments of Rs. 6.25 Lacs and commencing from 30.04.2022. Rate of interest as at year end shall be 6 months MCLR plus 100 basis points subject to maximum interest rate of 9.25% p.a.

vii) Guranteed Emergency Credit Line 2.0 - Fund based Working Capital term Loan of Rs. 492.42 Lakhs (31st March 2022: Rs. 622 Lakhs) is secured by way of second ranking pari passu charge on the following, to be created in favor of Bank. Borrower's Property/Lease hold rights of the property and security interest over buildings/structures thereon immovable fixed assets, both present and future, situated at Kolhapur, Maharashtra plot number T-1, Five star Industrial Area, at and post Kasaba Sangaon, Tal Kagal Dist Kolhapur 416216.	Repayable in 48 equal monthly installments commencing from last day of the month after expiry of the Moratorium Period of 12 months. Rate of interest as at year end which shall be sum of I-MCLR-1Y+ "Spread" per annum, subject to minimum of I-MCLR-1Y, plus applicable statutory levy, if any.
viii) Guranteed Emergency Credit Line 2.0 - Fund based Working Capital term Loan of Rs. 126.36 Lakhs (31st March 2022: Rs. 160 Lakhs) is secured by way of extension of charge of existing primary and collateral security in favor of Bank.	Repayable in 47 equal monthly installments of Rs. 3.34 Lacs and Last installment Rs. 3.02 Lacs after moratorium of 12 months. Rate of interest as at year end which will be MCLR plus 20 basis points. The interest rate shall be linked to MCLR but the final ROI should not be less than 7.5% and should not be more than 9.5%.

ix) Guranteed Emergency Credit Line 2.0 - Fund based Working Capital term Loan of Rs. 2,225.39 Lakhs (31st March 2022: Rs. 2,887 Lakhs) is secured by way of extension of second ranking charge over primary and collateral securities including mortgage created in favour of bank and security created over the hypothicated asssets of borrower out of this facility.	Repayable in 48 monthly installments after moratorium of 12 months. Rate of interest as at year end which shall be 3 months RBI Reference rate plus spread.
The amounts mentioned include installments falling due within a year aggregating to Rs. 2,200.96 Lakhs (31st March 2022: Rs. 3,943.38 Lakhs) have been grouped under "Current maturities of long-term debt" under Short Tem Borrowings.	
Amount of Rs. 52.29 Lakhs (31st March, 2022: Rs. 6.01 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 2023.

Note: 18 - Other financial liabilities

(Rs. in lakhs)

Particulars	March 2023	March 2022
Lease liability (Refer Note 36)	**295.08**	303.53
Total	**295.08**	303.53

Note: 19 - Other non - current liabilities

(Rs. in lakhs)

Particulars	March 2023	March 2022
Government Grants relating to assets (Refer Note 26 and 35 (b))	**1,466.12**	1,797.80
Total	**1,466.12**	1,797.80

1) Under the Government Scheme, the Company is entitled to subsidy, on its investment in the property plant and equipment, on fulfilment of the conditions stated in those Scheme. The government grant is accounted as stated in the accounting policy on Goverment Grant (Refer note 1). The Goverment Grant shown above represents unamortised amount of subsidy with the corresponding adustment to the carrying amount of property, plant and equipment.

2)Export Promotion Capital Goods (EPCG) scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant (Refer Note 1r). The Government Grant shown above represents unamortised amount of the duty saved referred to above. Export obligation to be fulfilled subsequent to the reporting date, within the period allowed under the Scheme is disclosed Note 32 (b).

Note: 20 - Current Borrowings

(Rs. in lakhs)

Particulars	March 2023	March 2022
Secured		
Working capital loans from Banks repayable on demand [Refer Note 37]*	**4,241.32**	4,403.61
Current maturities of long-term debt	**2,200.96**	3,943.38
Unsecured		
Acceptances	**1,895.63**	1,383.07
Loans & Advances from related Parties (Refer Note 39)	-	3,500.00
Total	**8,337.91**	13,230.06

* 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.

The quarterly return or statement related of working capital filed by the company with the banks are in agreement with the books of accounts and published quarterly financial statements.

Note: 21 - Trade payables

(Rs. in lakhs)

Particulars	March 2023	March 2022
Amounts payable to related parties [Refer Note 39]	**1,204.81**	217.83
Others (including provision for expenses)	**12,835.38**	14,330.48
	14,040.19	14,548.31
Total outstanding dues of micro enterprises and small enterprises	**1,258.14**	769.27
	1,258.14	769.27
Total	**15,298.33**	15,317.58

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.

Trade Payable ageing as at 31st March 2023

Particulars	Not due	Less than 1 year	1- 2 year	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
Related Parties	**14.25**	**1,072.61**	**72.77**	**38.28**	**-**	**1,197.92**
MSME	**635.76**	**500.04**	**81.73**	**19.16**	**21.44**	**1,258.14**
Others	**10,069.81**	**2,630.50**	**125.51**	**-**	**16.47**	**12,842.28**
Net undisputed(b)	**10,719.81**	**4,203.15**	**280.01**	**57.45**	**37.91**	**15,298.33**
Total (a+b)	**10,719.81**	**4,203.15**	**280.01**	**57.45**	**37.91**	**15,298.33**

Trade Payable ageing as at 31st March 2022

Particulars	Not due	Less than 1 year	1- 2 year	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
Related Parties	-	178.50	39.32	-	-	217.83
MSME	380.39	348.29	19.15	0.07	21.37	769.27
Others	10,452.47	3,780.50	56.16	2.14	39.21	14,330.48
Net undisputed(b)	10,832.86	4,307.29	114.63	2.21	60.58	15,317.58
Total (a+b)	10,832.86	4,307.29	114.63	2.21	60.58	15,317.58

Note: 22 - Other financial liabilities

(Rs. in lakhs)

Particulars	March 2023	March 2022
Interest accrued but not due on borrowings	**43.50**	80.49
Retention money and Security Deposits	**42.71**	69.53
Salary and Wages payable	**1,377.39**	1,079.31
Derivative financial instruments	**-**	-
Capital Creditors		
-Related Party [Refer Note 39]	**7.37**	7.21
-Other	**19.89**	19.43
Lease liability	**9.83**	8.96
Other payables	**0.96**	20.87
Total	**1,501.65**	1,285.80

Note: 23 -Provisions

(Rs. in lakhs)

Particulars	March 2023	March 2022
Provision for employee benefits [Refer Note: 38]		
Non Current Portion	**214.71**	81.85
Current Portion	**577.93**	535.69
Total	**792.64**	617.54

Note: 24 - Other current liabilities

(Rs. in lakhs)

Particulars	March 2023	March 2022
Advances from customer	**120.66**	75.71
Statutory Dues	**156.11**	135.38
Government Grants relating to assets (Refer Note 26 and 35 (b))	**332.38**	341.00
Other payables	**-**	34.56
Total	**609.15**	586.64

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 25 - Revenue from Operations *(Rs. in lakhs)*

Particulars	Year ended	
	March 2023	March 2022
Sale of manufactured goods - fabrics	**75,591.96**	56,757.63
Income from services - Job work	**-**	0.86
Other operating revenue		
- Export incentives	**174.52**	106.25
- Sale of process waste	**432.01**	311.66
Total	**76,198.49**	57,176.40

Note: 26 - Other Income *(Rs. in lakhs)*

Particulars	Year ended	
	March 2023	March 2022
Interest income	**0.79**	70.76
Excess Provision Written Back	**-**	62.96
Credit Balances written back	**14.41**	12.09
Net gain on sale of current investments	**23.39**	-
Net gain on disposal of property, plant and equipments	**0.01**	-
Deferred Income on Government Grant (Refer Note 19 and 24)*	**340.30**	346.76
Other non-operating income	**589.51**	93.90
Total	**968.41**	586.47

* Government grants are related to investments made by the company in property, plant and equipment for plant setup at Kolhapur and Amravati, Maharashtra. The company did not benefit directly from any other forms of government assistance.

Note: 27 - Cost of Raw Materials Consumed *(Rs. in lakhs)*

Particulars	Year ended	
	March 2023	March 2022
Opening Stock	**5,538.81**	2,342.04
Add: Purchases	**39,292.83**	31,374.76
Less : Closing Stock	**3,512.72**	5,538.81
	41,318.92	28,177.99
Total	**41,318.92**	28,177.99

Note: 28 - Changes in Inventories of Finished goods and Work-in-progress *(Rs. in lakhs)*

Particulars	Year ended	
	March 2023	March 2022
Opening inventories		
Finished goods	**2,061.17**	2,567.57
Work-in-progress	**4,059.88**	2,884.26
Closing inventories		
Finished goods	**3,587.35**	2,061.17
Work-in-progress	**5,437.70**	4,059.88
Total	**(2,904.00)**	(669.22)

Raymond Luxury Cottons Limited
Notes to the Financial Statements
Note: 29 - Employee Benefits Expense

(Rs. in lakhs)

Particulars	Year ended	
	March 2023	March 2022
Salaries, wages, etc.(including managerial remunaration)	**7,288.33**	6,721.35
Contribution to provident funds and other funds	**363.90**	319.69
Gratuity (Refer Note 38)	**123.00**	93.97
Staff welfare expenses	**423.75**	386.80
Total	**8,198.98**	7,521.81

Note: 30 - Finance Costs

(Rs. in lakhs)

Particulars	Year ended	
	March 2023	March 2022
Interest on Term Loans	**427.26**	1,101.81
Interest on bank overdraft/ short term borrowings	**1,642.35**	748.75
Interest on lease liability	**28.34**	28.98
Other borrowing costs (amortisation of Processing fees)	**89.18**	6.81
Total	**2,187.13**	1,886.35

Note: 31 - Depreciation and Amortization Expense

(Rs. in lakhs)

Particulars	Year ended	
	March 2023	March 2022
Depreciation on Property, Plant and Equipment	**3,822.03**	3,895.84
Depreciation on Right to use assets	**13.96**	13.96
Amortisation on Intangible assets	**0.26**	1.90
Total	**3,836.25**	3,911.70

Note: 32 - Other expense

32A) Manufacturing and Operating Costs

(Rs. in lakhs)

Particulars	Year ended	
	March 2023	March 2022
Consumption of stores and spare parts	**6,540.25**	5,440.18
Power, water and fuel	**5,347.51**	3,969.11
Job work charges	**4,837.06**	3,413.65
Repairs to buildings	**174.24**	198.46
Repairs to machinery	**990.34**	722.76
Other Manufacturing and Operating expenses	**472.12**	371.33
Total	**18,361.52**	14,115.49

Raymond Luxury Cottons Limited
Notes to the Financial Statements
32B) Other Expenses

(Rs. in lakhs)

Particulars	Year ended	
	March 2023	March 2022
Rent	**22.24**	22.86
Insurance	**123.22**	137.47
Repairs & Maintenance Others	**94.57**	70.42
Rates and Taxes	**88.89**	94.99
Commission to selling agents	**787.62**	160.86
Freight, Octroi, etc	**192.97**	224.44
Legal and Professional Expenses	**174.05**	365.35
Director Fees	**13.00**	9.50
Corporate Facility Charges	**705.00**	636.00
Write off of Doubtful Debts (Refer Note- 42)	***1,122.24***	-
Less: Previous Years Provision Reversed (Refer Note- 42)	***(1,122.24)***	-
Net Write off of Doubtful Debts	**-**	-
Travelling and Conveyance	**234.91**	145.82
IT outsourced Support Services	**89.05**	77.38
Bank Charges	**183.98**	170.08
Loss on sale of Assets	**1.63**	2.20
Miscellaneous Expenses	**1,003.92**	430.21
Total	**3,715.06**	2,547.57

a. Details of payments to auditors (included in Legal and professional expenses)

(Rs. in lakhs)

Particulars	March 2023	March 2022
Statutory audit fees	**30.00**	30.00
Fees for audit related services	**3.00**	3.00
Total	**33.00**	33.00

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 33- Disclosure as required under Section 22 of Micro and Small Enterprises Development Act, 2006 (MSME) are as under –

(Rs. in Lakhs)

	Particulars	March 2023	March 2022
a)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year;	**1,348.75**	813.33
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	-	-
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)	**90.62**	44.06
d)	The amount of interest accrued and remaining unpaid at the end of accounting year	**216.88**	126.26
e)	Further interest remaining due and payable for earlier years	**126.26**	82.20

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: 34 - Contingent liabilities and contingent assets

a) Contingent liabilities (to the extent not provided for)

(Rs. in Lakhs)

Particulars	March 2023	March 2022
Claims against the Company not acknowledged as debts - Disallowance in relation to provision for doubtful debts and deduction claimed u/s 80G under Income Tax Act	**6.55**	6.55

Note: Future cash flows in respect of above are determinable only on receipt of judgement/decision pending with the authority/forum and/or final outcome of the matter.

Foreseeable Losses:
The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ applicable accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

Pending litigations:
The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

b) Contingent assets
There is no contingent asset identified during the year

Note: 35 - Capital and other Commitments

(Rs. in Lakhs)

Particulars	March 2023	March 2022
(a) Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:		
Property, plant and equipment	**558.76**	30.02
Less: Capital advances	**(15.16)**	-
Net Capital commitments	**543.60**	30.02
(b) Guarantees given by the Company's bankers and Bonds and Letter of Undertaking executed by the Company to Government Authorities for purchase under concessional duty/ exemption scheme in respect of (net of obligation completed) (Refer Note 16 and 21)	**13,591.00**	18,605.00
Net Guarantees	**14,134.60**	18,635.02

Note: 36 - Lease

(Rs. in Lakhs)

Particulars	March 2023	March 2022
Premises taken on operating lease: The Company has operating lease agreements for land and guest house. These lease arrangements range for a period between 3 and 30 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.		
Lease rentals recognized in the Statement of Profit and Loss for the year is Rs. 22.86 Lakhs (2020-21 Rs. 20.94 lakhs)		
With respect to non-cancellable operating lease, the future minimum lease payment as at Balance Sheet date is as under:		
For a period not later than one year	**5.53**	36.08
For a period later than one year and not later than five years	**27.62**	156.29
For a period later than five years	**261.93**	111.16

b) Set out below are the carrying amounts of lease liabilities and the movements during the year:

(Rs. in Lakhs)

Particulars	March 2023	March 2022
Opening Balance	**312.49**	319.16
Additions	**-**	-
Deletions	**-**	-
Accretion of interest	**28.34**	28.98
Payments	**(35.93)**	(35.65)
Closing Balance	**304.91**	312.49
Current	**9.83**	8.96
Non-current	**295.08**	303.54

c) The following are the amounts recognised in profit or loss

(Rs. in Lakhs)

Particulars	March 2023	March 2022
Depreciation expense of right-of-use assets	**13.96**	13.96
Interest expense on lease liabilities	**28.34**	28.98
Expense relating to short-term leases (included in other expenses)	**-**	-
Expense relating to leases of low-value assets (included in other expenses)	**-**	-
Total amount recognised in profit or loss	**42.30**	42.94

d) Amounts recognised in statement of cash flows

(Rs. in Lakhs)

Particulars	March 2023	March 2022
Total cash outflow for leases	**35.93**	35.65

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 37 - Assets pledged as Security

(Rs. in Lakhs)

Particulars	March 2023	March 2022
A) Non-current Asset (to the extent covered in Loans)		
Land hold land	**230.31**	233.08
Buildings	**9,127.56**	9,584.72
Plant and equipment	**21,359.24**	24,449.44
Furniture & fixtures	**104.65**	129.56
Office equipments	**22.66**	15.38
Vehicles	**26.45**	0.14
Capital Work-in-progress	**69.21**	23.78
	30,940.06	34,436.10
B) Current Asset (to the extent covered in Loans)		
Inventories	**13,450.88**	12,623.46
Trade receivable	**10,822.09**	10,477.04
	24,272.97	23,100.50
Total Assets pledged as security	**55,213.03**	57,536.60
# Refer Note 2, 7 and 9.		

Note: 38 - 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 363.9 Lakhs (31st March 2022: Rs. 319.69 Lakhs).

B. Defined benefit plan:

Employee Benefit Schemes recognised in the financial statements as at 31st March 2023 and 31st March 2022 are as follows:

(Rs. in Lakhs)

Particulars	Defined benefit plans	
	March 2023	March 2022
Present value of plan liabilities	**1,178.13**	955.83
Fair value of plan assets	**738.55**	674.02
Net Plan liability/ (asset)	**439.58**	281.81

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

Particulars	March 2023			March 2022		
	Plan Assets	**Plan liabilities**	**Total**	Plan Assets	Plan liabilities	Total
As at 1st April	**674.02**	**955.83**	**281.81**	620.02	777.37	157.35
Current service cost		**102.20**	**102.20**		83.01	83.01
Past service cost		**-**	**-**		-	-
Return on plan assets excluding amounts included in net finance income/cost	**(2.17)**	**-**	**2.17**	(0.35)	-	0.35
Interest cost		**70.54**	**70.54**		54.11	54.11
Interest income	**49.74**		**(49.74)**	43.15		(43.15)
Actuarial (gain)/loss arising from changes in financial assumptions	**-**	**(22.56)**	**(22.56)**	-	(64.64)	(64.64)
Actuarial (gain)/loss arising from experience adjustments	**-**	**174.57**	**174.57**	-	155.21	155.21
Employer contributions	**93.36**		**(93.36)**	44.31		(44.31)
Benefit payments	**(76.40)**	**(102.45)**	**(26.06)**	(33.11)	(49.23)	(16.12)
As at 31st March	**738.55**	**1,178.13**	**439.58**	674.02	955.83	281.81

The liabilities are split between different categories of plan participants as follows:
- active members - 1,513 (31st March 2022: 1,556)

The weighted average duration of the defined benefit plans is 20 years (31st March 2022 : 18 Years)
The Company expects to contribute Rs. 224.86 Lakhs (31st March 2022 : 199.96 Lakhs) to the funded plans in the next financial year.

D. Statement of Profit and Loss

(Rs. in Lakhs)

Particulars	March 2023	March 2022
Employee Benefit Expenses:		
Current service cost	**102.20**	83.01
Total	**102.20**	83.01
Finance cost/(income)	**20.80**	10.95
Net impact on the Profit / (Loss) before tax	**123.00**	93.97
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	**2.17**	0.35
Actuarial (gains)/losses arising from changes in financial assumptions	**(22.56)**	(64.64)
Experience (gains)/losses arising on pension plan and other benefit plan liabilities	**174.57**	155.21
Net impact (income)/expenses on the Other Comprehensive Income before tax	**154.18**	90.92

E. Assets

(Rs. in Lakhs)

	Defined benefit plans	
	March 2023	March 2022
Total (A)		
Unquoted		
Insurer Managed Fund	**738.55**	674.02
Total	**738.55**	674.02

F. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date

The significant actuarial assumptions were as follows:

Particulars	March 2023	March 2022
Actuarial Assumptions		
Discount rate	**7.50%**	7.38%
Salary Escalation Rate	**5.00%-7.50%**	3.00%-7.50%
Expected Rate of Return on Assets	**7.50%**	7.38%

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality (2012-14) 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)

	Change in assumption	2022-23		2021-22	
		Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	**(166.91)**	**207.51**	(132.45)	165.08
Salary Escalation Rate	1%	**203.79**	**(167.86)**	162.79	(133.34)
Employee Turnover Rate	1%	**(1.96)**	**0.97**	(3.27)	3.64

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 20 years (31st March 2022 - 21 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 2023 as follows:

(Rs. in Lakhs)

Particulars	Defined benefit obligation	
	March 2023	March 2022
1st following year	**62.79**	68.70
2nd following year	**26.76**	19.26
3rd following year	**39.26**	23.43
4th following year	**28.86**	45.90
5th following year	**48.29**	24.91
Thereafter	**4,788.17**	3,745.31

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: 39 - 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	Silver Spark Apparel Limited, India Raymond (Europe) Limited, United Kingdom J.K.Investo Trade (India) Ltd., India JK Files (India) Ltd., India Silver Spark Middle East Inc

(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

Atul Dharap, Director ((Re-appointed w.e.f. May 13, 2022)
Vikram Mahaldar, Director ((Appointed w.e.f. January 10, 2023)
Vikram Mahaldar, Director ((Appointed w.e.f. January 10, 2023)
Vijay Patil, Director
Ramshi Mundada Brijgopal, Director
Srinivasa Vajha, Chief Financial Officer (CFO)
Mohammad Waqar Siddiqui

(E) Other Related Parties where control of Joint Venture Partners exist and transactions have taken place	Raymond UCO Denim Private Limited, India

***No transactions during the year*

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Disclosure of transactions carried out with related parties in the ordinary course of business:-

(Rs. in Lakhs)

Particulars	March 2023	March 2022
(1) Parties mentioned in 36(A) above		
Sales – Goods :	**2,785.92**	2,129.15
Sale of Fixed Assets	**2.55**	3.00
Sale of License	**-**	9.34
Deputation of staff	**197.15**	-
Expenses :		
Purchases of raw material	**705.86**	66.52
Purchases of fixed assets	**-**	4.12
Rent and other service charges	**16.56**	16.56
Employment cost	**-**	-
ICD interest	**639.08**	1.86
Corporate Facility Charges	**705.00**	636.00
Other reimbursements		
Electricity	**4.59**	2.79
Legal and professional charges	**4.93**	0.41
Travel & Guesthouse	**-**	2.04
Security charges	**10.68**	12.62
Telephone Expenses	**0.08**	0.08
Insurance Expense	**58.18**	32.45
Software Expense	**49.33**	23.69
Other reimbursement expenses	**7.85**	26.51
Loan or Deposit received or paid		
Inter Corporate Deposit-Received	**14,887.00**	3,500.00
Inter Corporate Deposit-Paid	**18,387.00**	-
(2) Parties mentioned in 36(B) above		
Sales – Goods :		
Silver Spark Middle East Inc	**61.28**	-
Raymond (Europe) Limited	**401.09**	228.64
Silver Spark Apparel Limited, India	**3,886.15**	1,358.78
Dress Master Apparel Private Limited, India		-
Expenses :		
ICD interest		
JK Files (India) Limited	**-**	13.07
Agency commission		
Raymond (Europe) Limited	**429.65**	-
Purchases of raw material		
JK Files (India) Limited	**0.20**	-
Other reimbursements		
Raymond Apparel Limited	**-**	-
Silver Spark Apparel Limited, India	**69.55**	40.99
Loan or Deposit received or paid		
Inter Corporate Deposit-Received		
J.K.Investo Trade (India) Ltd., India	**-**	1,000.00
Inter Corporate Deposit-Paid		
JK Files (India) Limited	**-**	2,000.00
J.K.Investo Trade (India) Ltd., India	**-**	1,000.00

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Disclosure of transactions carried out with related parties in the ordinary course of business (contd)

(Rs. in Lakhs)

Particulars	March 2023	March 2022
(3) Party mentioned in 36(C) (ii) above		
Sales – Goods :	**31,203.86**	21,757.62
Expenses :		
Land lease	**31.04**	31.04
Interest on ICD	**-**	27.60
Loan or Deposit received or paid		
Inter Corporate Deposit-Received	**-**	500.00
Inter Corporate Deposit-Paid	**-**	500.00
(4) Parties mentioned in 36(E) above		
Sales – Goods :	**21.54**	-
Other reimbursement Income:	**-**	0.01
Purchases of raw material	**40.78**	36.67
Expenses :	**-**	-
Jobworks Charges-Income	**-**	-
(5) Individuals mentioned in 36(D) above		
Director Fees		
R.Narayanan	**-**	4.75
Atul Damodar Dharap	**6.50**	-
Rashmi Mundada	**6.50**	4.75

Disclosure of outstanding balances of related parties as at the year end: (contd.)

(Rs. in Lakhs)

Particulars	March 2023	March 2022
Parties mentioned in 36(A)above		
Receivable	**438.56**	622.55
Payable	**1,089.77**	224.51
Inter Corporate Deposit Payable	**-**	3,500.00
Parties mentioned in 36(B) above		
Receivable		
Silver Spark Middle East Inc	**61.28**	-
Raymond Europe	**179.00**	83.12
Silver Spark Apparel Limited, India	**2,703.84**	312.92
Payable		
JK Files (India) Limited	**-**	-
Raymond Europe	**108.53**	
Parties mentioned in 36(C) above		
Receivable		
Cottonficio Honegger S.p.A (Refer Note No. 42)	**-**	1,122.24
Allowance for bad and doubtful debts (Refer Note No. 42)	**-**	(1,122.24)
	-	-
J.K. Investors (Bombay) Limited	**1,433.91**	4,126.77
Payable		
J.K. Investors (Bombay) Limited	**0.48**	-
Parties mentioned in 36(E) above		
Receivable	**10.01**	-
Payable	**14.35**	0.53

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 40 - 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)

	March 2023	March 2022
Borrowings bearing variable rate of interest	**14,056.78**	15,968.21

Interest rate sensitivity

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

(Rs in Lakhs)

	March 2023	March 2022
50 bp increase- decrease in profits	**(70.28)**	(79.84)
50 bp decrease- Increase in profits	**70.28**	79.84

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

Derivative instruments and unhedged foreign currency exposure:

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

Particulars	March 2023		March 2022	
	Currency	Amount	Currency	Amount
Forward contracts to buy EUR	-	-	32.04	2,706.59
Forward contracts to Sell EUR	**2.02**	**175.44**	-	-
Forward contracts to Sell USD	**1.66**	**136.55**	-	-

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 2023	USD	EURO	GBP	JPY	CHF	CNY
Trade Receivables	**32.24**	**17.15**	-	-	-	-
Trade Payables	**1.35**	**54.02**	**0.00**	-	**0.08**	-

As at 31st March 2022	USD	EURO	GBP	JPY	CHF	CNY
Trade Receivables	5.46	4.09	-	-	-	-
Trade Payables	0.69	40.88	-	-	0.22	-

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

(Rs in Lakhs)

Particulars	2022-2023		2021-2022	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	**26.75**	**(26.75)**	3.60	(3.60)
EURO	**17.10**	**(17.10)**	2.50	(2.50)
CHF	**(0.07)**	**0.07**	(0.01)	0.01
GBP	**(0.00)**	**0.00**	-	-
Increase / (decrease) in profit or loss	**43.78**	**(43.78)**	6.10	(6.10)

Credit risk

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

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

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

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

(Rs in Lakhs)

Ageing of Account receivables	March 2023	March 2022
Not due	8,847.67	7,820.32
0-3 months	1,851.31	2,280.65
3-6 months	92.57	307.21
6 months to 12 months	9.06	14.34
beyond 12 months	21.49	54.52
Total	**10,822.09**	10,477.04

Movement in provisions of doubtful debts	March 2023	March 2022
Opening provision	1,156.21	1,122.24
Add:- Additional provision made	-	33.97
Less:- Provision write off/ reversed	-	-
Less:- Provision utilised against bad debts (Refer Note 42)	(1,122.24)	-
Closing provisions (Refer note 9)	33.97	1,156.21

Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time, or at a reasonable price. Processes and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity patterns of borrowings

(Rs in Lakhs)

Particulars	As at 31st March 2023			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	2,200.96	7,614.10	-	9,815.06
Short term borrowings	6,136.95	-	-	6,136.95
Expected Interest payable	592.50	749.46	-	1,341.97
Total	8,930.41	8,363.57	-	17,293.98

Particulars	As at 31st March 2022			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	3,943.38	7,616.35	-	11,559.63
Short term borrowings	9,286.68	-	-	9,286.68
Expected Interest payable	819.28	780.36	-	1,599.65
Total	14,049.34	8,396.71	-	22,445.96

Maturity patterns of other Financial Liabilities and Trade payables

As at 31st March 2023 *(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	12,451.29	2,766.46	80.58	-	-	15,298.33
Payable related to Capital Creditors	27.26	-	-	-	-	27.26
Other Financial liabilities (Current and Non Current)	43.64	883.41	537.48	-	295.11	1,759.64
Total	**12,522.18**	**3,649.88**	**618.05**	**-**	**295.11**	**17,085.23**

As at 31st March 2022 (Rs in Lakhs)

Particulars	Overdue/ Payable on demand	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	4,484.72	10,607.67	225.19	-	-	15,317.58
Payable related to Capital Creditors	26.64	-	-	-	-	26.64
Other Financial liabilities (Current and Non Current)	90.41	710.23	449.56	-	312.49	1,562.70
Total	4,601.76	11,317.90	674.75	-	312.49	16,906.91

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 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.

Note: 42 - 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 December 09, 2021. However, [Akshat Chechani] owing to paucity of time, the NCLT did not take up the matter. Accordingly, the matter stands adjourned to February 24, 2022. The NCLT had directed for the matter to be heard on April 20, 2022. However, owing to paucity of time, the NCLT did not take up the matter. Accordingly, the matter stands adjourned to June 21 2022.

Pursuant to the settlement agreement between the Company and Cotonificio Honegger S.P.A dated 17th January, 2023 filed with NCLT for approval has received favorable reply from NCLT vide order dated 19th April 2023. Accordingly, Board of Directors of the Company has decided to the buy-back of its fully paid-up equity shares of Rs. 10/ - (Rupees Ten Only) each not exceeding 4,21,70,000 (Four Crore Twenty One Lakh Seventy Thousand Only) Equity Shares at a price of Rs. 4.65/- (Rupees Four Paise Sixty Five Only) per equity share at aggregate consideration not exceeding Rs. 19,60,90,500/ - (Rupees Nineteen Crore Sixty Lakh Ninety Thousand Five Hundred Only). Further company has paid the said amount of Rs. 19,60,90,500/- on 28th April, 2023 as a full and final settlement. As the said transaction occurred subsequent to the Balance Sheet date hence effect of the same have not been given in the Financial Statements as on 31st March, 2023.

Note: 43 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. 31,203.86 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	**70,341.40**	53,415.08	**5,250.56**	3,343.41	**75,591.96**	56,758.49

Raymond Luxury Cottons Limited
Notes to the Financial Statements

Note: 44 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 2023				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													
Investment													
- Mutual Fund	-	2,023.39	2,023.39	2,023.39	-	-	2,023.39	-	-	-	-	-	2,023.39
	-	2,023.39	2,023.39	2,023.39	-	-	2,023.39	-	-	-	-	-	2,023.39
Other Assets													
Loans	-	2.09	2.09	-	-	-	-	-	-	-	-	2.09	2.09
Other Financial Assets	55.24	1,095.90	1,151.14	-	-	-	-	-	-	-	-	1,151.14	1,151.14
Trade receivable	-	10,822.09	10,822.09	-	-	-	-	-	-	-	-	10,822.09	10,822.09
Cash and Cash equivalents	-	0.27	0.27	-	-	-	-	-	-	-	-	0.27	0.27
Bank Balances other than Cash and cash equivalents	-	320.20	320.20	-	-	-	-	-	-	-	-	320.20	320.20
	55.24	14,263.94	14,319.18	2,023.39	-	-	2,023.39	-	-	-	-	12,295.79	14,319.18
Financial Liabilities													
Borrowings	7,614.10	8,337.91	15,952.01	-	-	-	-	-	-	-	-	15,952.01	15,952.01
Lease Liability	295.08	9.83	304.91	-	-	-	-	-	-	-	-	304.91	304.91
Other Financial Liabilities	-	1,491.82	1,491.82	-		-	-	-	-	-	-	1,491.82	1,491.82
Mark to Market on Derivative financial instruments*		5.53	5.53	-	5.53	-	5.53	-	-	-	-	-	5.53
Trade Payables	-	15,292.80	15,292.80	-	-	-	-	-	-	-	-	15,292.80	15,292.80
	7,909.19	25,137.88	33,047.07	-	5.53	-	5.53	-	-	-	-	33,041.54	33,047.07

Financial Assets and Liabilities as at 31st March 2022				Routed through P & L				Routed through OCI				Carrying at amortised cost	Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets													
Other Assets													
Loans	-	0.61	0.61	-	-	-	-	-	-	-	-	0.61	0.61
Other Financial Assets	54.36	951.55	1,005.91	-	-	-	-	-	-	-	-	1,005.91	1,005.91
Trade receivable	-	10,477.04	10,477.04	-	-	-	-	-	-	-	-	10,477.04	10,477.04
Cash and Cash equivalents	-	2,000.27	2,000.27	-	-	-	-	-	-	-	-	2,000.27	2,000.27
Bank Balances other than Cash and cash equivalents	-	1,034.29	1,034.29	-	-	-	-	-	-	-	-	1,034.29	1,034.29
	54.36	14,463.75	14,518.11	-	-	-	-	-	-	-	-	14,518.12	14,518.12
Financial Liabilities													
Borrowings	7,616.25	13,230.06	20,846.31	-	-	-	-	-	-	-	-	20,846.31	20,846.31
Lease Liability	303.53	8.96	312.49	-	-	-	-	-	-	-	-	312.49	312.49
Other Financial Liabilities	-	1,276.84	1,276.84	-		-	-	-	-	-	-	1,276.84	1,276.84
Mark to Market on Derivative financial instruments*	-	47.60	47.60	-	47.60	-	47.60	-	-	-	-	-	47.60
Trade Payables	-	15,269.98	15,269.98	-	-	-	-	-	-	-	-	15,269.98	15,269.98
	7,919.79	29,833.43	37,753.22	-	47.60	-	47.60	-	-	-	-	37,705.62	37,753.22

* Fair value has been considered based on confirmation from bank.

Note: 44 Fair Value measurement

Fair Value of Financial Assets and Liabilities measured at amortised cost

Financial Assets and Liabilities	**As at 31 March 2023**		As at 31 March 2022	
	Carrying Amount	**Fair value**	Carrying Amount	Fair value
Financial Assets				
Investment	**-**	**2,023.39**	-	-
Loans	**2.09**	**2.09**	0.61	0.61
Other Financial Assets	**1,151.14**	**1,151.14**	1,005.91	1,005.91
Trade receivable	**10,822.09**	**10,822.09**	10,477.04	10,477.04
Cash and Cash equivalents	**0.27**	**0.27**	2,000.27	2,000.27
Bank Balances other than Cash and cash equivalents	**320.20**	**320.20**	1,034.29	1,034.29
	12,295.79	**12,295.79**	14,518.12	14,518.12
Financial Liabilities				
Borrowings	**15,952.01**	**15,952.01**	20,846.31	20,846.31
Lease Liability	**304.91**	**304.91**	312.49	312.49
Other Financial Liabilities	**1,491.82**	**1,491.82**	1,276.84	1,276.84
Mark to Market on Derivative financial instruments	**-**	**5.53**	-	47.60
Trade Payables	**15,292.80**	**15,292.80**	15,269.98	15,269.98
	33,041.54	**33,047.07**	37,705.62	37,753.22

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: 45 - Note on Ultimate Beneficiaries

1. The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
2. The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note: 46 - Financial Ratios

Particulars	Numerator	Denominator	March 2023	March 2022	Variation %	Reasoning and Basis
Current Ratio	Current Assets	Current Liabilities	1.17	1.02	15%	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.60	0.81	-26%	The Debt Equity ratio is improved from 0.81 in FY 21-22 to 0.60 in FY 22-23 on account of following reasons: 1. Increase in Net worth due to increase net profit from Rs. 143..93 Lacs in FY 21-22 to Rs. 1,563.23 Lacs in FY 22-23, as the business operations were impacted in Q1 - FY 21-22 due to covid. The same was not there in FY 22-23. 2. Also there is decrease in Long term and Short term Loan from Rs. 20,846.31 Lacs in FY 21-22 to Rs. 15,952.01 Lacs in FY 22-23 on account of repayment of loan.
Debt- Service Coverage Ratio	Earnings available for debt service*	Debt Service**	0.47	0.27	75%	The Debt service coverage ratio is improved from 0.27 in FY 21-22 to 0.47 in FY 22-23 on account of following reasons: 1. Increase in Earning before interest Tax depreciation and amortisation is increased from Rs. 6,069.23 Lacs in FY 21-22 to Rs. 8,476.42 Lacs in FY 22-23, as the business operations were impacted in Q1 - FY 21-22 due to covid. The same was not there in FY 22-23. 2. Also there is decrease in Loan and Interest from Rs. 22,732.66 Lacs in FY 21-22 to Rs. 18,139.14 Lacs in FY 22-23 on account of repayment of loan.
Return on equity Ratio	Net Profits after taxes	Average Shareholder's Equity	0.06	0.01	951%	The return on equity ratio is improved from 0.01 in FY 21-22 to 0.06 in FY 22-23 as net profit is increased from Rs. 143.93 Lacs in FY 21-22 to Profit of Rs. 1,563.23 Lacs in FY 22-23, as the business operations were impacted in Q1 FY 21-22 due to covid.
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	2.95	2.54	16%	
Trade receivable Turnover Ratio	Revenue	Average Trade Receivable	7.10	6.05	17%	
Trade Payable turnover Ratio	Purchases of services and other expenses	Average Trade Payables	2.57	2.48	3%	
Net Capital Turnover Ratio	Revenue	Working Capital	35.07	67.74	-48%	The net profit ratio is decreased from 67.74 in FY 21-22 to 35.07 in FY 21-22 as net sales is increased by 33% (Rs. 57,176.4 Lacs in FY 21-22 to Rs. 76,198.49 Lacs in FY 22-23), however the net working capital is incrased by 165% (Rs. 869.69 Lacs in FY 21-22 to Rs. 2,303.87 Las in FY 22-23.
Net profit Ratio	Net Profit	Revenue	0.02	0.00	715%	The net profit ratio is improved from 0 in FY 21-22 to Rs. 0.02 in FY 22-23 as net profit is increased from Rs. 143.93 Lacs in FY 21-22 to Profit of Rs. 1,563.23 Lacs in FY 22-23.
Return on Capital employed Ratio (ROCE)	Earning before interest and taxes	Capital Employed***	0.09	0.04	103%	The return on capital employed ratio is improved from 0.04 in FY 21-22 to Rs. 0.09 in FY 22-23 as earning before intrest and tax is increased from Loss of Rs. 1,408.78 Lacs in FY 21-22 to Profit of Rs. 2,997.98 Lacs in FY 22-23.
Return on Investment	Profit After Tax	Aeverage Shareholder Equity****	0.06	0.01	951%	The return on investment ratio is improved from 0.01 in FY 21-22 to Rs. 0.06 in FY 22-23 as net profit is increased from Rs. 143.93 Lacs in FY 21-22 to Profit of Rs. 1,563.23 Lacs in FY 22-23.

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

Note: 47 - Relationship With Struck Off Companies

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

Company name	Transaction in FY 22-23	Balance in Lacs as at March 2023	Nature of Trasnaction	Relationship with Stuck off Company

RAYNAVA SYSTEMS PVT .LTD.	-	5.05	Supply of Material	Vendor (Non related)

Note: 48 - Previous Year Figures regrouped or rearranged

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

Note: 49 - Details Of Benami Property Held

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

Note: 50 - Registration Of Charges Or Satisfaction With Registrar Of Companies

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

Note: 51 - Details Of Crypto Currency Or Virtual Currency

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

Note: 52 - Undisclosed Income

The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

Note: 53 - Borrowings Obtained On The Basis Of Security Of Current Assets

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

Note: 54 - Utilisation Of Borrowed Funds And Share Premium

As on March 31, 2023 there is no unutilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.

Note: 55 - Revaluation Of Property, Plant And Equipment And Intangible Assets

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

Note: 56 - Compliance With Number Of Layers Of Companies

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

Note: 57 - Earnings per Share

Particulars	March 2023	March 2022
Earnings per share		
Profit for the year (Rs in Lakhs)	**1,563.23**	143.93
Weighted average number of shares	**16,86,80,000**	16,86,80,000
Earnings per share (Rs. per equity share of Rs. 10 each)		
- Basic	**0.93**	0.09
- Diluted	**0.93**	0.09

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

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number: 103418
Mumbai, 2 May, 2023

For and on Behalf of Board of Directors

Sd/-
Vikram Mahaldar
Director
DIN: 07948278

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Srinivasa Bharadwaja Vajha
Chief Financial Officer
Mumbai, 2 May, 2023

Sd/-
Mohammad Waqar Siddiqui
Company Secretory

RING PLUS AQUA LIMITED

ANNUAL REPORT 2022-23

BOARD OF DIRECTORS	:	**SHRI RAVIKANT UPPAL, CHAIRMAN** **SHRI BHUWAN KUMAR CHATURVEDI** *Non-Executive Director* **SHRI V. BALASUBRAMANIAN** *Non-Executive Director* **SHRI PARTHIV KILACHAND** *Independent Director* **SHRI SHIV SURINDER KUMAR** Independent Director **SHRI SATISH CHAND MATHUR** *Independent Director* **SMT. RASHMI MUNDADA** *Non-Executive Director* *(Appointed w.e.f. March 10, 2023)*
STATUTORY AUDITOR	:	M/S. PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
SECRETARIAL AUDITOR	:	MESSRS. DM & ASSOCIATES, COMPANY SECRETARIES LLP
INTERNAL AUDITORS	:	MESSRS. ERNST & YOUNG LLP, CHARTERED ACCOUNTANT
REGISTERED OFFICE	:	D-3, 4 SINNAR TALUKA AUDYOGIK VASAHAT MARYADIT VILLAGE MUSALGOAN, TALUKA SINNAR, NASIK 422112, MAHARASHTRA, INDIA
REGISTRAR AND SHARE TRANSFER AGENT	:	LINK INTIME INDIA PRIVATE LIMITED C-101, 247 PARK, LBS MARG, VIKHROLI WEST MUMBAI –400083
ISIN	:	INE093H01012

RING PLUS AQUA LIMITED
(CIN: U99999MH1986PLC040885)
BOARD'S REPORT

To,
The Members of RING PLUS AQUA LIMITED
(the 'Company')

Your Directors present their Thirty Sixth Annual Report on the business and operations of the Company together with the Audited Financial Statement for the financial year ended March 31, 2023.

1. FINANCIAL SUMMARY & HIGHLIGHTS OF PERFORMANCE

The Gross Revenue of the Company for the Financial Year 2022-23 stood at Rs. 378.47 crores (Previous Year: Rs. 323.89 crores). During the year under review, your Company made profit before exceptional items and tax of Rs. 55.17 crores (Previous Year: Profit Rs. 51.58 crores).

2. MATERIAL CHANGES AND COMMITMENT – IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT

There has been no material change and commitment, affecting the financial performance of the Company which occurred between the end of the financial year of the Company to which the financial statement relates and the date of this Report.

There is no change in the nature of your Company's business during the year under review.

3. DETAILS OF OPERATIONS STATE OF THE COMPANY'S AFFAIRS

Your Company is in the business of manufacturing and exporting Ring Gears, Flexplates, Water Pump Bearings, machined components, both for auto and non-auto sector.

Your Company is a key supplier of components in its product category and these products are going to remain key and a top priority going forward as well. In addition, the Company has started pilot supplies of new products and increase its product portfolio.

On the backdrop of strong initiatives on increasing share of business with existing customers and new business development efforts in earlier years, your Company has strong order book from customers in domestic and export markets. Your Company continued its focus on operational excellence, relentless cost reduction measures, lean manufacturing practices and improvised supply chain management with tight control on working capital. These measures supported in mitigating the impact on the margins and improving cash flows.

The Company paid Rs 3.35 Crore towards Voluntary Retirement Scheme opted for by its employees at Sinnar, Nashik. During the year under review, your Company enjoyed cordial relationship with all stakeholders.

4. DIVIDEND

During the year under review, the Company has not paid any dividend to its shareholders.

5. RESERVES

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

6. STATUTORY AUDITORS

M/s. Price Waterhouse Chartered Accountants LLP (ICAI Firm Registration Number 012754N/N500016) registered with the Institute of Chartered Accountants of India, were appointed as the Statutory Auditors of the Company for a period of 5 years at the Annual General Meeting ('AGM') held on May 12, 2022 to hold office from the conclusion of 35th AGM till the conclusion of 40th AGM, at a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors.

7. AUDITORS' REPORT

There is no audit qualification in the standalone financial statement by the Statutory Auditors for the year under review.

8. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

The Company has entrusted the internal and operational audit to M/s. Ernst & Young LLP Chartered Accountants.

The Internal Auditors independently evaluate the adequacy of the internal controls and audit the critical areas every year. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken. Independence of the audit is ensured by direct reporting of Internal Auditors to the Audit Committee of the Board.

9. SHARE CAPITAL

The Authorised Share Capital of the Company is Rs. 30,00,00,000 and the paid up Equity Share capital of the Company is Rs. 7,75,66,710. The Company has not issued shares with differential voting rights nor sweat equity.

10. PUBLIC DEPOSITS

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

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement.

12. DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri B.K. Chaturvedi (DIN: 00144487) retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

During the year under review, the appointment of Shri Satish Chand Mathur (DIN: 03641285) was ratified by the Members of the Company at their meeting held on July 08, 2022 and Smt. Rashmi Mundada was appointed as an Additional Director through circular resolution with effect from March 10, 2023.

Independent Directors have given their declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and is registered with the Institute of Corporate Affairs.

In the opinion of the Board, the Independent Directors are independent of the management, possess the requisite integrity, experience, expertise, proficiency and qualifications.

During the year, four Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. One circular resolution has been passed by the Board as on March 10,2023 for appointment of Smt. Rashmi Mundada.

The Board of the Company met for four time during the year. The Board Meeting held and Attendance of Directors at the Meetings is given below:

Sr. No.	Name of the Directors	Date of the Board Meetings			
		12.05.2022	04.08.2022	01.11.2022	23.01.2023
1.	Shri Ravikant Uppal	✓	✓	✓	✓
2.	Shri B. K. Chaturvedi	✓	✓	✓	✓
3.	Shri Parthiv Kilachand	✓	✓	✓	✓
4.	Shri Shiv Surinder Kumar	✓	LOA	✓	✓
5.	Shri V. Balasubramanian	✓	✓	✓	✓
6.	Shri Satish Chand Mathur	✓	LOA	✓	✓
7.	Smt. Rashmi Mundada*	-	-	-	-

* Smt. Rashmi Mundada was appointed as on March 10, 2023 by circular resolution.

13. BOARD EVALUATION

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

The Independent Directors of the Company met on March 31, 2023, without the presence of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors and the Board of Directors as a whole; review the performance of the Chairman of the Company and to assess the quality, quantity and timeliness of flow of information between the management and the board of directors.

The Directors expressed their satisfaction with the evaluation process and shared their suggestions.

14. KEY MANAGERIAL PERSONNEL

During the year under review, Ms. Reshma Ramchandani, Company Secretary of the Company resigned with effect from August 25, 2022. Further, Shri Sitesh Maheshwari, Chief Financial Officer of the Company also resigned with effect from December 02, 2022. As on March 31, 2023 the Company does not have any Key Managerial Personnel.

15. SECRETARIAL STANDARDS

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

16. 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.

17. COMMITTEES OF THE BOARD

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

a. Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014, the composition of the Audit Committee is as follows.

The Composition of the Committee as on March 31, 2023 is as under:

1. Shri Parthiv Kilachand : Independent Director, Chairman
2. Shri Shiv Surinder Kumar : Independent Director, Member
3. Shri B.K. Chaturvedi : Non-Executive Director, Member

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

During the year, four meetings of the Audit Committee were held. The details of the same and the attendance of the Directors are as follows:

Sr. No.	Date of the Audit Committee Meeting	Name of the Committee Member			
		12.05.2022	04.08.2022	01.11.2022	23.01.2023
1.	Shri Parthiv Kilachand	✓	✓	✓	✓
2.	Shri Shiv Surinder Kumar	✓	LOA	✓	✓
3.	Shri B.K. Chaturvedi	✓	✓	✓	✓

b. Nomination and Remuneration Committee

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

The Composition of the Committee as on March 31, 2023 is as under:

1. Shri Shiv Surinder Kumar : Independent Director, Chairman
2. Shri Parthiv Kilachand : Independent Director, Member
3. Shri Satish Chand Mathur : Independent Director, Member

During the year, one Meeting of the Nomination and Remuneration Committee was held on May 12, 2022. All the members were present at the said meeting.

The policy is also displayed on the Company's website https://ringplusaqua.com/ .

c. Committee of Directors

For administrative convenience, a Committee of the Board of Directors of the Company was constituted by the Board of Directors of the Company for handling day to day affairs of the Company.

The Composition of the Committee as on March 31, 2023 is as under:

1. Shri B.K. Chaturvedi : Non-Executive Director, Chairman
2. Shri V. Balasubramanian : Non-Executive Director, Member

During the year, the meeting of Committee of Directors was held on March 29, 2023.

d. Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company constituted the Corporate Social Responsibility ("CSR") Committee and spent an amount of Rs. 69 Lacs in pursuance of its CSR. A report on CSR activities and the contents of Corporate Social Responsibility policy annexed as "Annexure A."

The policy is also displayed on the Company's website https://ringplusaqua.com/ .

The Composition of the Committee as on March 31, 2023, is as under:

1. Shri Parthiv Kilachand : Independent Director, Chairman
2. Shri V. Balasubramanian : Non-Executive Director, Member
3. Shri Satish Chand Mathur : Independent Director, Member

During the year, no Meeting of Corporate Social Responsibility Committee was held. One resolution for disbursement of contribution towards CSR was passed by circulation on February 14, 2023.

18. MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013, IF ANY:

A notice has been received by the Company for non-maintenance of Cost Records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

19. 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.

20. RELATED PARTY TRANSACTIONS

The Audit Committee approves all the Related Party Transactions in compliance with the provisions of the Companies Act, 2013. Omnibus approval is obtained from the Audit Committee on a yearly basis for transactions which are repetitive in nature. Details of all related party transactions are placed before the Audit Committee and the Board for review and approval/ noting on a quarterly basis.

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the year under review were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

21. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company does not have any subsidiaries, joint ventures or associate companies during the year under review.

22. RISK MANAGEMENT

Your Company is exposed to risks from market fluctuations of foreign exchange, interest rates, commodity prices, business risks, compliance risks and people's risk. These risks are assessed and steps as appropriate are taken to mitigate these risks. The Audit Committee reviews and monitors the risks associated with the Company on a timely basis.

23. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge, belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013:

a. that in the preparation of the annual accounts for the financial year ended March 31, 2023, 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, 2023 and of the Profit of the Company for the year ended on that date;
c. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. the annual accounts have been prepared on a going concern basis; and
e. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that the systems were in place and were adequate and operating effectively.

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

The details as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is given in "Annexure B".

25. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder, the Company has appointed M/s. DM & Associates, Company Secretaries LLP (ICSI Unique Code L2017MH003500) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed as "Annexure C" and forms an integral part of this Report.

26. ANNUAL RETURN

The details regarding Annual Return will be hosted at the website of the Company. The web-link of the same is https://ringplusaqua.com/ .

27. 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, 2023 is not applicable.

28. EMPLOYEE STOCK OPTION PLAN

The Company had 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.

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

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

30. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

There were no significant and material orders issued against the Company by any regulating authority or court or tribunal affecting the going concern status and Company's operation in future.

31. OTHER DISCLOSURES

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

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

32. ACKNOWLEDGEMENT

Your Directors express their appreciation to all the employees for their dedication and commitment. The Directors also extend their appreciation to the Banks, customers, dealers, agents, suppliers for their support and co-operation.

For and on behalf of the Board
For RING PLUS AQUA LIMITED

Sd/-	Sd/-
Shri Ravikant Uppal	Shri V. Balasubramanian
Chairman	Director
DIN: 00025970	DIN: 05222476
Mumbai	Mumbai
May 02, 2023	May 02, 2023

DM & ASSOCIATES COMPANY SECRETARIES LLP
(LLPIN NO. AAI-4743)
[Firm Registration No: L2017MH003500] [Peer Review Certificate: 758/2020]
REGD. OFFICE: # 205, NADIADWALA MARKET, PODDAR ROAD, MALAD (EAST), MUMBAI-400097
Tel No. 022-28443641 Email: dmassociatesllp@gmail.com

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, 2023

To,
The Members,
RING PLUS AQUA LIMITED
D-3,4, AUDYOGIK VASAHAT MARYADIT
VILLAGE MUSALGOAN,
TALUKA SINNAR, NASIK - 422112

Dear Members,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RING PLUS AQUA LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2023, 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, 2023 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under: **NA**;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
4. The provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;
5. Provisions of Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the Audit Period.

We have relied on the representations made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. For Income tax laws we have relied on the Audit report issued by the Statutory Auditors.

We further state that, having regard to the Compliance system prevailing in the Company and based on test check basis and based on the representations made by the Company, the Company has complied with the following laws Applicable specifically to the Company:

i. Factories Act, 1948;
ii. Industries (Development & Regulation) Act, 1951

iii. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
iv. Acts prescribed under prevention and control of pollution
v. Acts prescribed under Environmental protection;
vi. Acts as prescribed under Direct Tax and Indirect Tax;
vii. Land Revenue laws of respective States
viii. Labour Welfare Act of respective States;
ix. Trade Marks Act 1999 & Indian Copy Right Act 1957;
x. The Legal Metrology Act, 2009.

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

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

Adequate notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and for meeting convened under shorter notice were in compliance with section 173(3) of the Companies Act, 2013 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting

Majority decision is carried through while there were no dissenting members' views which are to be captured and recorded as part of the minutes.

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

We further report that during the audit period, there was no specific action was taken by the Company having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines.

For DM & Associates Company Secretaries LLP
Company Secretaries

Sd/-
Dinesh Kumar Deora
Partner
FCS NO 5683
CP NO 4119
UDIN: F005683E000238685

Place: Mumbai
Date: 02nd May, 2023

Note: This report is to be read with our letter of even date that is annexed as Annexure - I and forms an integral part of this report.

ANNEXURE - I

To
The Members,
RING PLUS AQUA LIMITED
D-3,4, AUDYOGIK VASAHAT MARYADIT
VILLAGE MUSALGOAN,
TALUKA SINNAR, NASIK - 422112

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

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

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

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

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

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

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

For DM & Associates Company Secretaries LLP
Company Secretaries

Sd/-
Dinesh Kumar Deora
Partner
FCS NO 5683
CP NO 4119
UDIN: F005683E000238685

Place: Mumbai
Date: 02nd May, 2023

Annexure A

Annual Report on CSR Activities

1. Brief outline of the Company's CSR Policy:
The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society. CSR at our Company goes beyond business and extends to the implementation of socially relevant activities for the benefit of society at large.
The CSR Policy was approved by Board on October 27, 2014 and has been uploaded on the Company's website at https://ringplusaqua.com/ . A gist of the program that the Company can undertake under the CSR policy is mentioned below.

2. The composition of the CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Parthiv Kilachand	Chairman, Independent Director	None	NA
2	Shri V. Balasubramanian	Member, Non-Executive Director	None	NA
4	Shri Satish Chand Mathur	Member, Additional Independent Director	None	NA

The CSR Committee passed one resolution through circulation on February 14, 2023.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://ringplusaqua.com/ .

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable

6. Average net profit of the company as per section 135(5): Rs. 3450 Lakh

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 69 Lakh
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
(c) Amount required to be set off for the financial year, if any: NIL
(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 69 Lakh

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year 2022-23 (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
69 Lakh	NIL	Not Applicable	-	NIL	-

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No.
1.	Har Ghar Tiranga campaign, the Brihanmumbai Municipal Corporation for distribution of National Flags to the citizens free of cost.	Item no. (ii)	Yes	Maharashtra	Mumbai	25 lakhs	No	Brihanmumbai Municipal Corporation	-
1.	to establish & run Mobile Veterinary Units (MVU) consisting of medical emergency services and preventive health care services	Item no. (i)	Yes	Maharashtra	Mumbai	25 Lakh	No	J.K. Trust Bombay, NGO	CSR00000006
2.	Construction of a sensory integration unit for	Item no. (i)	No	Tamil Nadu		7.5 lakhs	No	Amar Seva Sangam	

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No.
	children with special needs								
3.	Rehabilitation of cancer patients including counselling service, therapy, and prosthesis support along with project implementation cost	Item No. (i)	Yes	Maharashtra	Mumbai	6 lakhs	No	Indian Cancer Society	CSR00000792
4.	Collaborate with Rural Development and Panchayati Raj (RDPR) through their program "My Library for a Better ME" to revamp and undertake activities in the RDPR affiliated libraries	Item No. (ii)	No	Karnataka	Bangalore	5.5 lakhs	No	Children's Movement for Civic Awareness	CSR00000784

(d) Amount spent in Administrative Overheads: NIL
(e) Amount spent on Impact Assessment, if applicable: Not Applicable
(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 69 Lakh
(g) Excess amount for set off, if any:

Sl. No.	Particulars	Amount (in Rs.)
1.	Two percent of average net profit of the company as per section 135(5)	69 Lakh
2.	Total amount spent for the Financial Year	69 Lakh
3.	Excess amount spent for the financial year [(ii)-(i)]	NIL
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable
   (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): None

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

Sd/-
Shri V. Balasubramanian
Director
DIN: 05222476

Sd/-
Shri Parthiv Kilachand
Chairman – Corporate Social Responsibility Committee
DIN: 00005516

CONTENTS OF CORPORATE SOCIAL RESPONSIBILITY POLICY

(Approved by the Board of Directors on October 27, 2014)

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

The Company's commitment to CSR projects and programmes will be by investing resources into any of the following areas.

- Improving the quality of life in rural areas;
- Eradicating hunger, poverty and malnutrition;
- Promoting healthcare including preventive healthcare;
- Employment enhancing vocational skills;
- Promotion of education including investment in technology in schools;
- Ensuring environmental sustainability including measures for reducing inequalities faced by socially and economically backward groups;
- Promoting sports including rural and Olympic sports;
- Contribution to funds for promoting technology;
- Investing in various rural development projects;
- Contributing to the Prime Minister's National Relief Fund or any other fund setup by the Central Government for development and relief; and
- Other areas approved by the CSR Committee that are covered in the CSR Rules as amended from time-to-time.

ANNEXURE B

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

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

(A) CONSERVATION OF ENERGY

(i) The steps taken and its impact on conservation of energy:

- Installed VFD on IH machine DM pumps, rotation geared motor & all cooling tower fan motor in Starter Gear division I.
- Installed power capacitor on Coiling, grinder, butt welding, Normalizing furnace blower, press, mechanical stretching machine, Stretching cum flattening press, washing machine, hobbing TC, Slotting TC & Hydraulic stretching machine.
- Optimize lubrication pump motor on CNC gear hobbing machines & main motor on conventional gear hobbing machines.
- Replaced old GI pipe-line with standard aluminum pipe-line for compressed air in starter gear division I resulting reduction in power consumption and operating pressure at compressor.
- Implemented Energy Efficient pumps at salt bath hardening process, induction hardening quench pumps, cooling tower, Plant C – coolant filtration system in bearing division.
- Minimized use of additional screw compressor in bearing division
- Maximized usage of high-speed grinders in bearing division

We have saved **Rs. 56 Lacs** from the above initiatives during this FY 2022-23.

(ii) The steps taken by the Company for utilizing alternate sources of energy:

- Installed Ground Mounted Solar Power plant with Capacity of 288KWp Ring Gear Division II Potential savings towards this initiative will be **Rs.13 Lacs**/annum.
- Proposing for open access power purchase of green energy thru Group Captive model. Around 50% of total energy consumption will be thru proposed solar plant after its commercial operation. Potential saving will be **Rs.160 Lacs/annum**. Planned operational date in Q4 of FY24.

(iii) The capital investment on energy conservation equipment:

- Capital investment of around Rs. 54 Lac has been made for replacement of GI pipeline to Aluminum pipeline for compressed air which has reduced overall compressed air consumption and operating pressures of air compressors. This in turn has reduced the energy consumption of around 2.7 L Kwh /annum, approx. savings of **Rs.24Lacs**/annum

(B) TECHNOLOGY ABSORPTION

(iv) The efforts made towards technology absorption:

- **Gear Division:**

1. Implemented two Value stream-lines with required layout changes and upgradation of Material Handling System in starter gear division-I catering around 25% of total volume with labour productivity improvement of around **6%.**
2. Horizontal deployment of "HOB shifting automation" for conventional hobbing machine to improve cutting tool life, thus improved productivity, and reduced processing cost at starter gear division I
3. Developed spot welding SPM for new products at starter gear division I
4. Developed state of art riveting SPM with all required error proofing and data acquisition system at starter gear division I
5. Installed high-capacity balancing machine to cater new product i.e. flywheel at starter gear division-I
6. Installed centralize storage and distribution lines for neat cutting oil required for hobbing process.
7. Installed separate production line for ABS tone ring under product diversification strategy.

- **Bearing Division:**

8. Establishment of automated ultrasonic cleaning equipment for bearing components with non-hazardous & water-based solvent, which replaced hazardous Tri-Chloro-Ethylene
9. Establishment of centerless grinders for shafts for simultaneous grinding of all diameters in one go with better quality & productivity.

(v) The benefits derived like product improvement, cost reduction, product development or import substitution:

- As a forward integration strategy, successfully developed flywheel assemblies for export customer
- As a product diversification strategy, developed Shield ring, ABS ring & Mass Ring
- We have developed multi piece flex-plate for BMW, Cummins and Volvo applications.

(vi) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable.

(vii) The expenditure incurred on Research and Development:

We spent approx.. Rs.60Lacs on research and development.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year FY 2022-23, foreign exchange earnings was Rs. 160.74 crore (Previous Year: Rs. 155.61 crore). The foreign exchange outgo during the year was Rs. 11.51 crore (Previous Year: Rs. 0.68 crore).

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, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act . Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director's report but does not include the financial statements and our auditor's report thereon.

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West) Mumbai – 400 028 T: +91(22) 66691500, F: +91 (22) 66547804/ 07

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)

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

8. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, 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 witheference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 39 to the financial statements;

   ii. The Company has long-term contracts including derivative contracts as at March 31, 2023, 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, 2023.

   iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 50 to the financial statements);

   (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 50 to the financial statements); and

   (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

   v. The Company has not declared or paid any dividend during the year.

   vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

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: 23112433BGYMLQ6459

Mumbai
May 02, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of Ring Plus Aqua Limited on the financial statements for the year ended March 31, 2023

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, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West) Mumbai – 400 028 T: +91(22) 66691500, F: +91 (22) 66547804/ 07

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)

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of Ring Plus Aqua Limited on the financial statements for the year ended March 31, 2023

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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

Sd/-
Arunkumar Ramdas
Partner
Membership Number 112433
UDIN : 23112433BGYMLQ6459

Mumbai
May 02, 2023

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Ring Plus Aqua Limited on the financial statements as of and for the year ended March 31, 2023

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3(a) and (b) to the financial statements, are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. (Also refer Note 20 to the financial statements)

iii. (a) The Company has made investments in five other parties. The Company did not provide any guarantee or security or granted secured/ unsecured loans or advances in nature of loans, to any companies, firm, limited liability partnership or any other parties. Therefore, the reporting under clause (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West) Mumbai – 400 028 T: +91(22) 66691500, F: +91 (22) 66547804/ 07

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

(b) In respect of the aforesaid investment, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.

iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185. Accordingly, provision of Section 185 and 186 are not applicable to the Company to that extent. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 in respect of investments made.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

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

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 39 to the financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of goods and services tax, provident fund, employees' state insurance, service tax, duty of customs, duty of excise, cess, as referred to in sub-clause (a) which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. Lakhs) (Net of amount deposited)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income tax	14.26	A.Year – 2011-12	Joint commissioner of Income Tax
The Income Tax Act, 1961	Income tax	12.90	A.Year – 2021-22	Commissioner of Income Tax (Appeals), Mumbai
The Central Sales tax Act, 1956	Sales tax	2.72	F.Year – 1999-00	Asst Commissioner of Sales Tax Appeals, Pune
The MVAT Act, 2002	Sales Tax	823.87	F.Year – 2015-16	Maharashtra sales tax tribunal

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, the reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable.

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

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the company issued till date, for the period under audit.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

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

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 46 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

Sd/-
Arunkumar Ramdas
Partner
Membership Number 112433
UDIN : 23112433BGYMLQ6459

Mumbai
May 02, 2023

RING PLUS AQUA LIMITED
Balance Sheet as at March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	March 31, 2023	March 31, 2022
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Property, Plant and Equipment	3(a)	8,793.44	6,925.54
	(b) Right-of-use asset	3(b)	73.03	84.56
	(c) Capital work - in - progress	3(c)	83.80	756.38
	(d) Other Intangible assets	4(a)	-	0.28
	(e) Intangible assets under development	4(b)	145.76	-
	(f) Financial Assets :			
	(i) Investments	5	8.61	8.61
	(ii) Other Financial Assets	6	33.03	19.32
	(g) Non-Current Tax Assets (Net)	7(b)	41.94	7.27
	(h) Other non - current assets	8	81.75	453.00
	Total Non-Current Assets		**9,261.36**	**8,254.96**
2	**Current assets**			
	(a) Inventories	9	5,013.76	5,158.89
	(b) Financial Assets :			
	(i) Investments	10	3,957.59	2,257.39
	(ii) Trade Receivables	11	6,768.80	4,702.75
	(iii) Cash and Cash Equivalents	12	837.91	472.74
	(iv) Bank Balances Other Cash and Cash Equivalents above	13	3.50	3.50
	(v) Other financial assets	14	3.04	18.48
	(c) Other current assets	15	241.25	403.90
	Total Current Assets		**16,825.85**	**13,017.65**
3	**Assets classified as held for sale**	16	10.55	-
	TOTAL ASSETS		**26,097.76**	**21,272.61**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	17	775.67	775.67
	b) Other Equity	18	15,418.17	11,466.61
	Total Equity		**16,193.84**	**12,242.28**
2	**Non-current liabilities**			
	Deferred tax liabilities (Net)	7(a)	320.35	380.72
	Total Non Current Liabilities		**320.35**	**380.72**
3	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	20	719.61	911.55
	(ii) Trade Payables	21	7,426.52	6,394.09
	(iii) Other Financial Liabilities	22	565.50	570.79
	(b) Provisions	23	536.99	511.95
	(c) Current Tax Liabilities (Net)	7(c)	15.61	13.89
	(d) Other current liabilities	24	319.34	247.34
	Total Current Liabilities		**9,583.57**	**8,649.61**
	Total Liabilities		**9,903.92**	**9,030.33**
	TOTAL EQUITY AND LIABILITIES		**26,097.76**	**21,272.61**
Significant Accounting Policies		1		
The accompanying notes are an integral part of these financial statements		2 to 51		

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/-
Ravikant Uppal
Director
DIN : 00025970

Sd/-
V. Balasubramanian
Director
DIN : 05222476

Place : Mumbai
Date : May 2, 2023

RING PLUS AQUA LIMITED
Statement of Profit and Loss for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	For the Year ended March 31, 2023	For the Year ended March 31, 2022
I	**Income**			
	Revenue from Operations	25	37,480.74	31,201.85
	Other Income	26	366.75	1,193.72
	Total Income		**37,847.49**	**32,395.57**
II	**Expenses**			
	Cost of raw materials consumed	27	15,487.91	12,404.12
	Changes in inventories of finished goods and work-in progress	28	224.80	56.66
	Employee benefits expense	29	3,105.03	2,826.83
	Finance costs	30	20.25	53.88
	Depreciation and amortization expense	31	959.27	1,076.76
	Other Expenses	32	12,533.47	10,818.85
	Total expenses		**32,330.73**	**27,237.10**
III	**Profit before exceptional items and tax**		**5,516.76**	**5,158.47**
IV	**Exceptional Items**			
	- VRS Expenses	49	334.97	-
III	**Profit before tax**		**5,181.79**	**5,158.47**
IV	**Income Tax expense**			
	Current tax	7	1,343.51	1,265.00
	Deferred tax		(60.37)	48.96
	Tax in respect of earlier years		(12.40)	(28.14)
	Total Tax Expense		**1,270.74**	**1,285.82**
V	**Profit for the year**		**3,911.05**	**3,872.65**
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of post-employment benefit obligations	43	(3.27)	52.85
	Tax Impact on above		0.82	(13.30)
	Other Comprehensive Income		**(2.45)**	**39.55**
VII	**Total Comprehensive Income for the year**		**3,908.60**	**3,912.20**
VIII	Earnings per equity share of Rs. 10 each :			
	Basic (in Rs.)	37	50.42	49.93
	Diluted (in Rs.)		49.80	49.24
	Significant Accounting Policies	**1**		
	The accompanying notes are an integral part of these financial statements	**2 to 51**		

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/-
Ravikant Uppal
Director
DIN : 00025970

Sd/-
V. Balasubramanian
Director
DIN : 05222476

Place : Mumbai
Date : May 2, 2023

RING PLUS AQUA LIMITED
Statement of Cash Flow for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Particulars	For the Year ended March 31, 2023		For the Year ended March 31, 2022	
A. Cash Flow from Operating Activities				
Profit before exceptional items and tax		5,516.76		5,158.47
Ajustments for :				
Depreciation and amortization expense	959.27		1,076.76	
Employee benefit expense (ESOP)	42.96		44.98	
Net (Gain)/Loss on sale/discard of Property, Plant and Equipment	9.31		(434.68)	
Net (Gain) on Sale and Fair Valuation of Investments	(150.52)		(65.22)	
Deposits Written off	10.89		0.24	
Less : Provision thereagainst	(10.89)		-	
Dividend Income	(0.04)		(0.04)	
Interest Income	(22.26)		(214.57)	
Finance Cost	20.25		53.88	
		858.97		461.34
Operating Cash Profit before Working Capital Changes		6,375.73		5,619.81
Add/(Deduct) :				
(Increase)/Decrease in Inventories	145.14		(241.38)	
(Increase) in Trade and Other Receivables	(1,858.51)		(747.40)	
Increase in Trade and Other Payables	1,091.38		495.36	
Increase/(Decrease) in Provisions	21.76		39.59	
		(600.23)		(453.83)
		5,775.50		5,165.98
Less : Taxes Paid (Net)		1,375.63		1,278.30
		4,399.87		3,887.68
Less : Exceptional Items - Payment towards VRS		334.97		-
Net Cash Inflow from Operating Activities		**4,064.90**		**3,887.68**
B. Cash Flow from Investing Activities				
Payments for Property, Plant & Equipment & Intangible Assets	(1,973.27)		(1,365.70)	
Receipts on Sale of Property, Plant & Equipments	9.31		847.75	
Repayment received of Inter corporate loan given	-		5,000.00	
Sale proceeds of current investment	1,000.31		8,929.80	
Payment for Purchase of Current Investments	(2,550.00)		(9,821.38)	
Interest Income	22.26		214.57	
Dividend Received	0.04		0.04	
Net Cash Inflow/(Outflow) from Investing Activities		**(3,491.35)**		**3,805.08**
C. Cash Flow from Financing Activities				
Dividend Paid	-		(7,213.70)	
Proceeds from Deposits	-		50.00	
Repayment of Non-current Borrowings	(9.69)		(25.84)	
Repayment of Current Borrowings (net)	(182.26)		(147.95)	
Interest Paid	(16.43)		(53.88)	
Net Cash Outflow from Financing Activities		**(208.38)**		**(7,391.37)**
Net Increase in Cash and Cash Equivalents (A+B+C)		365.17		301.40
Add: Balance at the beginning of the financial Year		472.74		171.35
Cash and Cash Equivalents as at the end of the Year		**837.91**		**472.74**

RING PLUS AQUA LIMITED
Statement of Cash Flow for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Reconcilation of Cash and Cash Equivalents as per Cash Flow Statement	**For the Year ended March 31, 2023**	**For the Year ended March 31, 2022**
Cash and Cash Equivalent as per above comprise of the following		
Cash and Cash Equivalent	837.91	472.74
Less: Deposits with maturity more than three months	-	-
Balance as per Statement of Cash Flows (Refer Note 12)	**837.91**	**472.74**
Significant Accounting Policies	1	
The accompanying notes are an integral part of these financial statements	2 to 51	

The Cash Flow Statement has been prepared under the Indirect Method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cashflows.

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Sd/-
Arunkumar Ramdas
Partner
Membership No. 112433

For and on behalf of Board of Directors

Sd/-
Ravikant Uppal
Director
DIN : 00025970

Sd/-
V. Balasubramanian
Director
DIN : 05222476

Place : Mumbai
Date : May 2, 2023

RING PLUS AQUA LIMITED

Statement of Changes in Equity for the year ended March 31, 2023

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

A. EQUITY SHARE CAPITAL

Particulars	Note No.	Amount
As at March 31, 2022	17	775.67
As at March 31, 2023		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, 2021	18	**610.35**	**993.60**	**117.21**	**12,721.25**	**280.72**	**14,723.13**
Profit for the year		-	-	-	3,872.65	-	3,872.65
Remeasurement of defined benefit obligation, net of tax		-	-	-	39.55	-	39.55
Dividend Paid		-	-	-	(7,213.70)	-	(7,213.70)
Employee Stock Option Plan Expenses		-	-	44.98	-	-	44.98
As at March 31, 2022	18	**610.35**	**993.60**	**162.19**	**9,419.75**	**280.72**	**11,466.61**
Profit for the year		-	-	-	3,911.05	-	3,911.05
Remeasurement of defined benefit obligation, net of tax		-	-	-	(2.45)	-	(2.45)
Employee Stock Option Plan Expenses	18	-	-	42.96	-	-	42.96
As at March 31, 2023		**610.35**	**993.60**	**205.15**	**13,328.35**	**280.72**	**15,418.17**

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/-
Ravikant Uppal
Director
DIN : 00025970

Sd/-
V. Balasubramanian
Director
DIN : 05222476

Place : Mumbai
Date : May 2, 2023

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2023
(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 selling Ring Gears, Flexplates, Water Pump Bearings, machined components both for auto component and engineering products. JK Files & Engineering Limited is holding company of RPAL holding 89.07% capital of the Company.

II. 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 (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [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 (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 Ministry of Corporate Affairs had vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New and amended standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

(iv) 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.Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method, over the estimated useful lives of assets. Leasehold improvements are amortised over the period of lease or estimated useful lives which ever is lower.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery and certain vehicles which based on an independent technical evaluation has been estimated as 24 years from the date of acquisition (on a single shift basis) and 5 years respectively, which is different from that prescribed in Schedule II of the Act.

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

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

Computer software

Computer software are stated at cost, less accumulated amortisation and impairments, if any. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets where the following criteria are met:

• it is technically feasible to complete the software so that it will be available for use
• management intends to complete the software and use or sell it
• there is an ability to use or sell the software
• it can be demonstrated how the software will generate probable future economic benefits
• adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
• the expenditure attributable to the software during its development can be reliably measured.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Amortisation method

The Company amortizes computer software with a useful life using the straight-line method over the period of 3 years from the date of acquisition.

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

(e) Leases

The Company's lease asset classes primarily consist of leases for Land. Leases are recognised as a right-of-use asset ("ROU") and a corresponding lease liability at the date at which leased asset is available for use by the Company for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term leases and leases of low value assets, the Company recognises the lease payments as an expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and restoration costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments which includes principal and finance cost component. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

To determine the incremental borrowing rate, the Company where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss.

(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) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(h) Trade Payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(i) Inventories

Inventories of Raw Materials, Goods in transit, Work-in-Progress, Stores and spares and Finished Goods are stated 'at cost or net realisable value, whichever is lower'. Cost of raw material and cost of stores and consumables comprise all cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable cost and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Cost formula used is 'Weighted Average cost'. Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc. Net realisable value is the estimated selling price in the ordinary course of business.

(j) Investments and other financial assets

(i) Classification

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

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

* those measured at amortised cost.

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

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

(ii) Recognition

Purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sale the financial asset.

(iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

• Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit and loss.

• 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 FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised 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. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in statement of profit and loss.

• Fair value through profit or loss (FVPL) : Assets that do not meet the criteria for amortised 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 is recognised in profit or loss and presented net 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 following the derecognition of the investment. 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.

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(v) Derecognition of financial assets

A financial asset is derecognised only when:

• the Company has transferred the rights to receive cash flows from the financial asset or

• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

(vi) Income recognition

- Interest income

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

- Dividends

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

(k) Derivative financial instruments

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as ‘held for trading’ for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

(l) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income / other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(m) Borrowing costs

Interest and other borrowing costs attributable to the acquisition, construction or production of a qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other interest and borrowing costs are charged to profit or loss.

(n) Provisions and contingent liabilities

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

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in the Financial statement unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the Financial statement unless it is virtually certain that the future event will confirm the asset’s existence and the asset will be realised.

(o) Revenue recognition

Sale of goods and process waste sale -

Sales are recognised when the control of the goods has transferred to the customer, which is generally on delivery of goods to customers and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, which signifies the risks of obsolescence and loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated 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 it 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.

Other operating revenue - Export incentives -

Export Incentives under the, “Duty Draw back Scheme”, "RODTEP" etc. is accounted in the year of export.

(p) Employee benefits

(i) Short-term Employee Benefits:

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

(ii) Post-employment obligations

Defined Contribution Plans

The Company pays provident fund contributions etc. to publicly administered provident and other funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are incurred.

Defined Benefit Plans

The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

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

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

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calculated by actuary are recognised immediately in the Statement of Profit and Loss as past service cost.

(iii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months, after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iv) 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

(i) Functional and presentation currency :

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

(ii) Transaction and Balances :

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

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

(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. 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

• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Share Based Payments

Share-based compensation benefits are provided to employees via the Ring Plus Aqua Limited-Employee Stock Option Scheme 2019 (RPAL ESOP 2019).

The fair value of options granted under the RPAL ESOP 2019 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(u) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director, decision maker.

(v) Dividends :

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(w) Offsetting financial instruments :

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

(x) Impairment of assets :

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 purposes 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 groups 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

(y) Contributed equity :

Equity shares are classified as equity.

2 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.
The areas involving critical estimtes or judgement are:

- Estimation of Defined benefit obligation (Refer Note 43).

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

3(a) Property, Plant and Equipment

Particulars	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
Gross Carrying Amount :							
As at March 31, 2021	2,091.65	8,732.47	69.96	1,164.09	265.25	122.33	12,445.75
Additions	45.48	279.93	5.90	0.20	21.37	22.24	375.12
Disposals	-	39.01	1.79	1,109.25	2.94	-	1,152.99
As at March 31, 2022	**2,137.13**	**8,973.39**	**74.07**	**55.04**	**283.68**	**144.57**	**11,667.88**
Additions	273.00	2,382.59	91.52	29.18	50.90	17.33	2,844.52
Disposals	-	40.11	-	7.14	0.16	-	47.41
As at March 31, 2023	**2,410.13**	**11,315.87**	**165.59**	**77.08**	**334.42**	**161.90**	**14,464.99**
Accumulated Depreciation :							
As at March 31, 2021	227.65	3,381.85	47.21	553.60	112.75	87.01	4,410.07
Depreciation charge for the year	69.42	731.22	3.72	207.21	40.73	19.88	1,072.18
Disposals	-	26.11	1.57	709.90	2.33	-	739.91
As at March 31, 2022	**297.07**	**4,086.96**	**49.36**	**50.91**	**151.15**	**106.89**	**4,742.34**
Depreciation charge for the year	74.22	811.75	8.51	3.64	45.31	14.58	958.01
Disposals	-	22.01	-	6.64	0.15	-	28.80
As at March 31, 2023	**371.29**	**4,876.70**	**57.87**	**47.91**	**196.31**	**121.47**	**5,671.55**
Net Carrying Amount :							
As at March 31, 2022	**1,840.06**	**4,886.43**	**24.71**	**4.13**	**132.53**	**37.68**	**6,925.54**
As at March 31, 2023	**2,038.84**	**6,439.17**	**107.72**	**29.17**	**138.11**	**40.43**	**8,793.44**

Notes:

A. Refer note 40 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment .

B. The title deeds of all immovable properties are held in the name of the Company.

3(b) Leases

(i) This notes provides information for lease where the Company is a lessee. The Company has leasehold factory land and leases office premises. Rental contract for office are typically made for fixed period of 12 months. There are no leases where Company is lessor.

Amount recognised in Balance Sheet

The balance sheet shows the following amounts relating to leases:

Particulars	As at March 31, 2023	As at March 31, 2022
Gross Carrying Amount	**84.56**	**85.54**
Reclassification of asset as 'Asset Held for Sale' (Refer note 16)	(10.55)	-
Depreciation charge of Right-of-use assets	(0.98)	(0.98)
Total	**73.03**	**84.56**

Additions to Right of Use Assets during the financial year were Rs. Nil (previous year Rs. Nil)

Lease liabilities:

Lease liabilities: In case of leasehold land, upfront lease premium had been paid at the time of execution of the lease deed, hence there are no future lease liabilities.

(ii) Amount recognised in the statement of profit and loss.

The statement of profit and loss shows the following amount relating to lease :

Particulars	March 31, 2023	March 31, 2022
Depreciation charge of Right-of-use assets	0.98	0.98
Total	**0.98**	**0.98**

Particulars	March 31, 2023	March 31, 2022
Expense relating to short-term leases (included in other expenses)	15.82	15.82
Total	**15.82**	**15.82**

(iii) Extension and termination options:

Extension and termination options are included in property lease. These are used to maximise operational flexibility in terms of managing the assets used in the company operations. The extension and termination options held are exercisable with mutual agreement between the company and respective lessor.

(iv) The title deeds of all immovable properties are held in the name of the Company.

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

3(c) Capital work-in-progress

Particulars	Total
Balance as at April 01, 2021	2.80
Addition	1,128.70
Capitalisation	375.12
Balance as at March 31, 2022	**756.38**
Balance as at April 01, 2022	**756.38**
Addition	1,983.01
Capitalisation	2,655.59
Balance as at March 31, 2023	**83.80**

i. Capital Work in progress ageing schedule:

Particulars	As At	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	March 31, 2023	81.00	-	2.80	-	83.80
	March 31, 2022	753.58	2.80	-	-	756.38

ii. Actual cost of capital work in progress has not exceeded the original estimated cost and actual timelines for completion of projects has not exceeded the estimated timelines in respect of the amount reported above as at the end of each reporting period. Accordingly, completion schedule is not presented.

iii. Work in progress majorly comprises of Plant and Equiptments which are pending installation.

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

4(a) Intangible assets

Particulars	Computer Software
Gross Carrying Amount	
As at March 31, 2021	90.12
Additions	-
As at March 31, 2022	**90.12**
Additions	-
As at March 31, 2023	**90.12**
Accumulated Amortisation	
As at March 31, 2021	86.24
Amortisation charge for the year	3.60
As at March 31, 2022	**89.84**
Amortisation charge for the year	0.28
As at March 31, 2023	**90.12**
Net Carrying Amount	
As at March 31, 2022	**0.28**
As at March 31, 2023	**-**

4(b) Intangible assets under development

Particulars	Total
Balance as at April 01, 2021	-
Addition	-
Capitalisation	-
Balance as at March 31, 2022	**-**
Balance as at April 01, 2022	-
Addition	145.76
Capitalisation	-
Balance as at March 31, 2023	**145.76**

i. Intangible assets under development ageing schedule:

Particulars	As At	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	March 31, 2023	145.76	-	-	-	145.76
	March 31, 2022	-	-	-	-	-

ii. Actual cost of an Intangible assets under development has not exceeded the original estimated cost and actual timelines for completion of project has not exceeded the estimated timelines in respect of the amount reported above. Accordingly, completion schedule is not presented.

iii. Intangible assets under development comprises of software under development.

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

5 Investments (at Fair Value)

Particulars	March 31, 2023		March 31, 2022	
	No. of Units	Amount	No. of Units	Amount
Equity instruments - Unquoted				
Fair value through profit or loss				
SICOM Limited (Equity Shares of Rs.10 each)	10,000	7.91	10,000	7.91
Saraswat Co-operative Bank Limited (Equity Shares of Rs.10 each)	7,000	0.70	7,000	0.70
Trinity Auto Component Limited (Equity Shares of Rs.10 each)	4,21,000	-	4,21,000	-
Total		**8.61**		**8.61**

Aggregate amount of unquoted investments	8.61	8.61

6 Other Financial Assets

Particulars	March 31, 2023	March 31, 2022
Unsecured-considered Good (Unless Otherwise stated)		
Security Deposits	33.03	19.32
Total	**33.03**	**19.32**

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2023
(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, 2023	March 31, 2022
Current tax	1,343.51	1,265.00
Deferred tax	(60.37)	48.96
Tax in respect of Earlier years		
- Current Tax	(12.40)	(28.14)
Total income tax expense	**1,270.74**	**1,285.81**

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, 2023	March 31, 2022
Profit before tax	5,181.79	5,158.47
Tax Expense Recognised in Statement of Profit and Loss	1,270.74	1,285.81
Enacted income tax rate in India	25.168%	25.168%
Computed Expected Tax Expense	1,304.15	1,298.28
Add :		
Tax effect of the amounts which are not deductiable/(taxable) in calculating taxable income		
Corporate Social Responsibility expenditure	17.37	17.11
Adjustments for prior periods	(12.40)	(28.14)
Capital Gain set-off against unutilised tax assets (refer below table on unrecognised carry forward losses)	(30.23)	(14.64)
Others	(8.15)	13.19
Total income tax expense	**1,270.74**	**1,285.81**

Consequent to reconciliation items shown above, the effective tax rate is 24.76% (2021-22: 24.93%)

(a) Movement in Deferred tax (assets)/liabilities :

Particulars	April 1, 2022	(Credit)/charge in Statement of Profit and Loss	March 31, 2023
Deferred tax asset on account of :			
Amounts allowable for tax purpose on payment basis	137.69	26.52	164.21
Allowance for Doubtful Debts & Others Receivables	95.72	39.32	135.04
	233.41	**65.84**	**299.25**
Deferred tax liability on account of:			
Property plant and equipment and intangible assets	(614.13)	(5.47)	(619.60)
	(614.13)	**(5.47)**	**(619.60)**
Deferred Tax Liability (Net)	**(380.72)**	**60.37**	**(320.35)**

Movement in Deferred tax (assets)/liabilities :

Particulars	April 1, 2021	(Credit)/charge in Statement of Profit and Loss	March 31, 2022
Deferred tax asset on account of :			
Amounts allowable for tax purpose on payment basis	162.13	(24.44)	137.69
Allowance for Doubtful Debts & Others Receivables	103.77	(8.05)	95.72
Total	**265.90**	**(32.49)**	**233.41**
Deferred tax liability on account of:			
Property plant and equipment and intangible assets	(597.66)	(16.47)	(614.13)
	(597.66)	**(16.47)**	**(614.13)**
Deferred Tax Liability (Net)	**(331.76)**	**(48.96)**	**(380.72)**

Unrecognised carry forward tax losses:
The Company has accumulated capital loss of Rs. 1,112.72 Lakhs (Previous year Rs. 1,239.98 Lakhs) under the Income Tax Act. In view of, uncertainty over the Company's ability to utilise such losses in the foreseeable future, the Company has not recognised deferred tax asset against such losses.

Assessment Year (AY)	Capital Loss		
	Nature of loss	As at March 31, 2023	Loss carried forward for upto AY
2016-17	Short Term Loss	1,039.11	2024-25
2017-18	Long Term Loss	73.61	2025-26

(b) Current tax assets (net) - non-current

	March 31, 2023	March 31, 2022
Current Tax Asset (Net of Provision of Rs. 2,621.00 lakhs (March 31, 2022 : Rs. 1,278.30 lakhs))	41.94	7.27
Total	**41.94**	**7.27**

(c) Current Tax Liability (Net)

	March 31, 2023	March 31, 2022
Current Tax Liability (Net of Advance tax of Rs. 752.84 lakhs (March 31, 2022 : Rs. 754.56 lakhs))	15.61	13.89
Total	**15.61**	**13.89**

8 Other non - current assets
Unsecured-considered Good (Unless Otherwise stated)

Particulars	March 31, 2023	March 31, 2022
Capital advances	13.11	330.65
Refund Due from Government Authorities	75.88	182.10
Less: Loss allowance for doubtful refund	(75.88)	(128.39)
Deposit with Government Authorities	68.64	68.64
Total	**81.75**	**453.00**

9 Inventories
(Cost or Net Realisable value, whichever is lower)

Particulars	March 31, 2023	March 31, 2022
Raw Materials	1,723.66	1,649.30
Work-in-progress	514.64	406.27
Finished goods	2,461.54	2,794.71
Stores and Spares	313.92	308.61
Total	**5,013.76**	**5,158.89**

Note :
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 and also include all other costs incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable cost. Costs of purchased inventory are determined after deducting rebates and discounts. Cost formula used is 'Weighted Average cost'. Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc. Net realisable value is the estimated selling price in the ordinary course of business.
For information of Inventories offered as security, Refer Note 38.

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Notes to the Financial Statements as at and for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

10 Current Investments

Particulars	March 31, 2023	March 31, 2022
Investment in Mutual Fund (Unquoted) :		
Fair value through Profit and Loss		
Nippon India Ultra Short Duration Fund - Growth Plan (Units 29,323.027; Previous Year : 39,685.09)	1,012.02	1,302.06
HDFC Liquid Fund - Regular Plan - Growth -(Units 4,569.153; Previous Year : Nil)	200.31	-
Axis Ultra Short Term Fund - Regular Growth -(Units 7,94,695.936; Previous Year : Nil)	100.70	-
ICICI Prudential Ultra Short Term Fund - Growth (Units 12,74,460.243; Previous Year : Nil)	300.93	-
Aditya Birla Sun Life Savings Fund - Growth-Regular Plan (Units 4,18,557.711; Previous Year : Nil)	1,942.76	-
Aditya Birla Sun Life Crisil - Growth-Regular Plan (Units 38,15,083.476; Previous Year : Nil)	400.87	-
Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan (Units Nil; Previous Year : 2,80,620.74)	-	955.33
Total	**3,957.59**	**2,257.39**

11 Trade receivables

Particulars	March 31, 2023	March 31, 2022
Trade receivables	6,996.20	4,930.15
Less: Loss Allowance	(227.40)	(227.40)
Total	**6,768.80**	**4,702.75**

Break-up of Security details :

Particulars	March 31, 2023	March 31, 2022
Considered good - Secured	-	-
Considered good - Unsecured	6,996.20	4,930.15
Considered having significant increase in credit risk	-	-
Considered - credit impaired	-	-
Total	6,996.20	4,930.15
Less: Loss Allowance	(227.40)	(227.40)
Total trade receivables	**6,768.80**	**4,702.75**

(a) For information about Credit Risk and Market Risk, Refer Note 34.
(b) For information of Trade receivables offered as security, Refer Note 38.

Trade Receivable Ageing :

March 31, 2023	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables	6,112.95	655.85	27.40	6.79	-	5.27	6,808.26
(ii) Disputed Trade Receivables	-	-	-	-	-	187.94	187.94
Total	**6,112.95**	**655.85**	**27.40**	**6.79**	**-**	**193.21**	**6,996.20**

March 31, 2022	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables	4,380.89	353.10	1.37	1.12	0.39	5.34	4,742.21
(ii) Disputed Trade Receivables	-	-	-	-	-	187.94	187.94
Total	**4,380.89**	**353.10**	**1.37**	**1.12**	**0.39**	**193.28**	**4,930.15**

12 Cash and Cash Equivalents

Particulars	March 31, 2023	March 31, 2022
Cash on hand	1.17	0.56
Cheques , drafts on hand	15.00	-
Balances with Banks in current accounts	821.74	472.18
Total	**837.91**	**472.74**

13 Bank balances other than Cash and Cash Equivalents above

Particulars	March 31, 2023	March 31, 2022
Balance in Dividend Account *	3.50	3.50
Total	**3.50**	**3.50**

* Incuding Rs. 3.44 lakhs (P.Y. Rs. 3.44 lakhs) pertaining to unpaid dividend.

14 Other current financial assets

Particulars	March 31, 2023	March 31, 2022
Derivative financial Instruments (Refer Note 34)	3.04	18.48
Total	**3.04**	**18.48**

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

15 Other current assets

Unsecured-considered Good (Unless Otherwise stated)

Particulars	**March 31, 2023**	**March 31, 2022**
Export benefit receivables	140.54	174.93
Receivables From Government Authorities	38.96	159.48
Advances to Suppliers	7.66	26.81
Prepaid expenses	42.74	40.97
Other Receivables	11.35	1.71
Total	**241.25**	**403.90**

16 Assets classified as held for sale

Particulars	**March 31, 2023**	**March 31, 2022**
Right of use asset held for sale - Leasehold Land	10.55	-
Total	**10.55**	**-**

During the financial year, the Board, in its meeting held on May 12, 2022 has approved the sale of leasehold land of the Company having book value of Rs. 10.55 Lakhs. The Company entered into an Memorandum of Understanding (MoU) on May 26, 2022 with Kunde Poly Product Private Ltd and has received advance of Rs 131.52 lakhs against proposed sale. The said amount is shown under Note 24 "Other Current Liabilities''. The Leasehold land is carried at the book value in accordance with Ind AS 105 - 'Non current asset held for sale and discontinuing operations' being lower of cost and fair value less cost to sale. The Company is in process of executing documents for sale.

17 Equity Share capital

a)

Particulars	March 31, 2023	March 31, 2022
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, 2023		March 31, 2022	
	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, 2023	March 31, 2022
69,08,482 (Previous year 69,08,482) Equity shares of Rs.10/- each held by JK Files & Engineering Limited	690.85	690.85

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

Particulars	March 31, 2023	March 31, 2022
JK Files & Engineering Limited	69,08,482	69,08,482
% of holding	89.07%	89.07%
J K Investors (Bombay) Limited	4,96,165	4,96,165
% of holding	6.40%	6.40%

f) During preceeding five years, no shares were issued by the Company for consideration being other than cash.

g) **Shareholdings of Promoters as at March 31, 2023 :**

Sr. No.	Promoters	Number of Shares	% of Total Holding	% Change during the year
1	Scissors Engineering Products Limited - Nominee	120	0.00%*	-
2	JK Files & Engineering Limited	69,08,482	89.07%	-
3	J K Investors (Bombay) Limited	4,96,165	6.40%	-

Shareholdings of Promoters as at March 31, 2022 :

Sr. No.	Promoters	Refer Note	Number of Shares	% of Total Holding	% Change during the year
1	Scissors Engineering Products Limited (along with its nominee)		120	0.00%*	100%
2	JK Files & Engineering Limited	48	69,08,482	89.07%	100%
3	J K Investors (Bombay) Limited		4,96,165	6.40%	-

* Percentage of total holding is 0.0015%

h) Equity Shares reserved for issue under options: Information relating to Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 47.

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

18 Other Equity

Particulars	Capital Reserve on Amalgamation	Securities Premium	Share Options outstanding Account	Retained Earnings	General Reserves	Total
As at March 31, 2021	**610.35**	**993.60**	117.21	**12,721.26**	**280.72**	**14,723.14**
Profit for the year	-	-	-	3,872.65	-	3,872.65
Other Comprehensive Income for the year	-	-	-	39.55	-	39.55
Dividend Paid	-	-	-	(7,213.70)	-	(7,213.70)
Employee Stock Option Expenses	-	-	44.98	-	-	44.98
As at March 31, 2022	**610.35**	**993.60**	**162.19**	**9,419.75**	**280.72**	**11,466.61**
Profit for the year	-	-	-	3,911.05	-	3,911.05
Other Comprehensive Income for the year	-	-	-	(2.45)	-	(2.45)
Employee Stock Option Plan Expenses	-	-	42.96	-	-	42.96
As at March 31, 2023	**610.35**	**993.60**	**205.15**	**13,328.35**	**280.72**	**15,418.17**

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 47).

c) Capital Reserve
Capital Reserve was created on account of merger of Trinity India Limited with the Company pursuant to the Scheme of Amalgamation in the financial year 2012-13

d) Retained Earnings
Retained Earnings are the profits that the Company has earned till date, less dividends or other distributions paid to shareholders.

e) General Reserves

General Reserves is a free reserve, retained from Company's profits. The reserves can be utilised as per the provisions of the Companies Act, 2013.

19 Non-Current Borrowings

Particulars	March 31, 2023	March 31, 2022
Unsecured		
Interest free Deferred Sales tax payment liabilities	-	9.69
Less: Current maturity of long term borrowings (included in Note 20)	-	9.69
Total	**-**	**-**

20 Current Borrowings

Particulars	Terms of Repayment	Interest Rate as at year end	March 31, 2023	March 31, 2022
Secured				
Cash Credit	Repayable on Demand	Nil (P.Y. 9.15%)	-	0.33
Packing credit	Repayable on Demand	Nil (P.Y. 2.50% to 7.65%)	-	748.45
Buyers Credit	Repayable Rs. 163.09 lakhs on Dec 1, 2023; Rs. 196.92 lakhs on June 27, 2023 Rs. 359.6 lakhs on April 12, 2023	0.90% to 4.11% (P.Y. 0.80%)	724.43	154.08
Current maturities of long-term debt (Refer Note 19)			-	9.69
			724.43	912.55
Less :				
Interest accrued but not due on borrowings (included in Note 22)			4.82	1.00
Total			**719.61**	**911.55**

(a) The carrying amount of financial and non-financial assets held as security for secured borrowings are disclosed in Note 38.

(b) For information about Net Debt reconciliation Refer Note 44.

(c) In respect of borrowings made from banks on the basis of security of current assets, quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

(d) The above borrowings have been utilized by the Company for meeting its requirement as per the terms of the loans and have not been further advanced or loaned by the Company to any other parties.

21 Trade payables

Particulars	March 31, 2023	March 31, 2022
Trade payables : Micro, Small and Medium Enterprises	-	-
Trade payables : Related parties (Refer Note 42)	119.75	2.57
Trade payables : Others	7,306.77	6,391.52
Total	**7,426.52**	**6,394.09**

(a) For information about Micro, Small and Medium Enterprises disclosure Refer Note 36.

(b) For information about Liquidity Risk and Market Risk Refer Note 34.

Trade Payables Ageing :

Particularls	Unbilled dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	More than 1 year upto 2 years	More than 2 year upto 3 years	More than 3 years	
Undisputed :							
As at March 31, 2023	898.10	4,399.11	2,089.16	1.13	2.04	36.98	7,426.52
As at March 31, 2022	668.22	3,810.19	1,876.12	2.04	21.35	16.17	6,394.09

There are no disputed Trade Payables.

22 Other Current financial liabilities

Particulars	March 31, 2023	March 31, 2022
Unpaid Dividend	3.44	3.44
Interest accrued but not due on borrowings (Refer Note 20)	4.82	1.00
Derivative financial instruments (Refer Note 34)	19.98	0.98
Salary and Wages payable	484.80	448.09
Payables to Related Parties (Refer Note 42)	-	78.73
Creditors for Capital Goods	33.72	17.38
Other Deposits	18.74	21.17
Total	**565.50**	**570.79**

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

23 Provisions

Particulars	March 31, 2023	March 31, 2022
Provision for employee benefits (Refer Note 43)		
a) Provision for Gratuity	404.64	379.48
b) Provision for Compensated Absences	132.35	132.47
Total	**536.99**	**511.95**

24 Other Current liabilities

Particulars	March 31, 2023	March 31, 2022
Contract Liabilities*		
Advance received against sale of land (Net of Rs. 8.21 lakhs paid against execution of transfer deed)	131.52	-
Others	69.17	136.66
Statutory Dues	62.35	69.42
Other Payables	56.30	41.26
Total	**319.34**	**247.34**

* Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year

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

25 Revenue from Operations

Particulars		**For the Year ended March 31, 2023**	**For the Year ended March 31, 2022**
Revenue from contracts with customer			
Sale of Products - recognised at a point in time			
Manufactured Goods - Domestic		14,447.75	10,572.52
Manufactured Goods - Export		20,016.26	18,099.24
	Total (A)	34,464.01	28,671.76
Other operating revenue			
(i) Export Incentives		407.88	378.75
(ii) Process waste sale		2,590.82	2,048.00
(iii) Others		18.03	103.34
	Total (B)	3,016.73	2,530.09
Total (A+B)		**37,480.74**	**31,201.85**

(i) Disaggregation of revenue from contracts with customers:

The Company derives revenue from sale of products in the following geographical regions:

Revenue from contracts with customer (Sale of Products)	**For the Year ended March 31, 2023**	**For the Year ended March 31, 2022**
India	14,447.75	10,572.52
America (North and South)	7,440.51	6,393.28
Europe	9,686.78	9,067.63
Asia (excluding India)	2,862.13	2,596.51
Australia	26.84	41.82
Total	**34,464.01**	**28,671.76**

The Company derives revenue from sale of following products :

Product Name	**For the Year ended March 31, 2023**	**For the Year ended March 31, 2022**
Flywheel Starter Ring Gears	25,271.94	20,952.56
Water Pump Bearings	6,221.80	5,246.10
Flexplates	2,818.74	2,278.57
Others	151.53	194.53
Total	**34,464.01**	**28,671.76**

26 Other income

Particulars	**For the Year ended March 31, 2023**	**For the Year ended March 31, 2022**
Dividend income	0.04	0.04
Interest income		
- On Financial Assets at amortised cost	-	214.57
- On Vat Refund	22.26	-
Net Gain on :		
(i) Variation in Foreign Exchange Rates	42.30	158.31
(ii) Sale/Discard of Property, Plant and Equiptment	-	434.68
(iii) Sale and Fair Valuation of Investments measured at fair value through profit or loss	150.52	65.22
Compensation from Job worker	107.64	173.22
Miscellaneous Income	43.99	147.67
Total	**366.75**	**1,193.72**

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

27 Cost of raw materials consumed

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Opening Stock	1,649.30	1,385.35
Purchases	15,562.27	12,668.07
	17,211.57	14,053.42
Less : Closing Stock	(1,723.66)	(1,649.30)
Total	**15,487.91**	**12,404.12**

28 Changes in inventories of finished goods and work-in-progress

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Opening inventories		
Finished goods	2,794.71	2,685.93
Work-in-progress	406.27	571.71
	3,200.98	**3,257.64**
Closing inventories		
Finished goods	2,461.54	2,794.71
Work-in-progress	514.64	406.27
	2,976.18	**3,200.98**
Total	**224.80**	**56.66**

29 Employee benefits expense

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Salaries, wages, bonus etc.	2,681.26	2,469.71
Contribution to Gratuity Fund (Refer note 43)	71.76	70.03
Contribution to provident funds and other funds (Refer Note 43)	136.28	130.52
Employee Stock Option Plan Expenses (Refer Note 47)	42.96	44.98
Workmen and Staff welfare expenses	172.77	111.59
Total	**3,105.03**	**2,826.83**

30 Finance costs

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest expense on Current borrowings	20.25	53.88
Total	**20.25**	**53.88**

31 Depreciation and amortization expense

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Depreciation on Property, Plant and Equipment	958.01	1,072.18
Depreciation of right of use assets (Refer Note 3(b))	0.98	0.98
Amortization on Intangible assets	0.28	3.60
Total	**959.27**	**1,076.76**

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

32 Other Expenses :

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Manufacturing and Operating Costs (Refer Note (a) below)	8,406.23	7,304.02
Other expenses (Refer Note (b) below)	4,127.24	3,514.84
Total	**12,533.47**	**10,818.85**

(a) Manufacturing and Operating Costs

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Consumption of stores and spare parts	2,536.88	2,337.17
Power and fuel	1,820.43	1,506.61
Job work charges	1,768.58	1,580.56
Contract Labour Charges	1,880.76	1,550.00
Repairs to machinery	133.78	117.07
Repairs to building	71.92	53.13
Other Manufacturing and Operating expenses	193.88	159.48
Total	**8,406.23**	**7,304.02**

(b) Other expenses

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Rent	15.82	15.82
Insurance	100.52	84.64
Rates and Taxes	3.05	3.93
Commission to selling agents	33.61	21.62
Freight, Octroi etc.	2,629.88	2,487.23
Legal and Professional Expenses*	110.05	128.56
Travelling & Conveyance	134.91	77.56
Bad Debts written off	-	36.26
Less : Provision thereagainst	-	(36.26)
Deposits Written off	10.89	0.24
Less : Provision thereagainst	(10.89)	-
Information Technology Outsourcing Cost	29.71	24.57
Security Expenses	97.39	95.32
Director's Sitting Fees & Commission	34.45	44.75
Net Loss on sale/discard of Property, Plant and Equipment	9.31	-
Expenditure towards Corporate Social Responsibility (Refer Note 33)	69.00	68.00
Facilities Charges (Refer Note 42(B))	604.00	217.00
Miscellaneous Expenses	255.54	245.60
Total	**4,127.24**	**3,514.84**

*** Includes Auditors' remuneration and expenses (net of credit for taxes) :**

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
- Audit Fees	15.25	14.50
- Limited Review Fees	-	2.75
- Certification Fees	0.20	0.60
- Reimbursement of out of pocket expenses	0.11	0.01
Total	**15.56**	**17.86**

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

33

a) Corporate Social Responsibility expenditure:

As per section 135 of the Companies Act,2013, a corporate social responsibility (CSR) committee has been formed by the Company. The funds are utilized on the activities which are specifiedin Schedule VII of the Companies Act, 2013. The utilization is done by way of contribution towards various activities

Balance as at	March 31, 2023	March 31, 2022
a. Amount required to be spent s per Section 135 of the Companies Act,2013	68.92	68.00
b. Amount Spent during the year :		
(i) Construction/Acquisition of an asset		-
(ii) On purpose other than (i) above	69.00	68.00
c. Shortfall at the end of the year	-	-
d. Total of the previous years shortfall	-	-
e. reason for shortfall	-	-
f. Nature of CSR Activities	Refer table below	Refer table below
g. Details of related party transactions	-	-
h. where a provision is made with respect to the liability incurred by entering into contractual obligation	-	-

Details of project in which CSR is expensed out :

Name of the Project	March 31, 2023	March 31, 2022
Contribution made to :		
Sponsoring up to 6000 Covid-19 vaccines to general public	-	40.50
Purchase of an ambulance for providing better healthcare to the general public at large	-	20.00
Purchase of computers and provide training to underprivileged children	-	7.50
Har Ghar Tiranga Campaign	25.00	-
Establish and Run Mobile veterinary Unit	25.00	-
Construction of Sensory Integration unit for special children	7.50	-
Holistic Rehabilitation of cancer patients, survivors	6.00	-
Sponsorship and undertaking programmes in libraries	5.50	-
Total	**69.00**	**68.00**

34 Financial risk management objectives and policies

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The Company financial risk management is set by the Working Board comprising of head of various departments. The policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls are monitored by higher authorities and approved by senior management. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

A) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.

i. Interest rate risk

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

Exposure to interest rate risk

Particulars	March 31, 2023	March 31, 2022
Borrowings bearing variable rate of interest	719.61	901.86

Interest rate sensitivity

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

Particulars	March 31, 2023	March 31, 2022
50 bp increase in interest rate - decrease in profits	(4.05)	(4.88)
50 bp decrease in interest rate - Increase in profits	4.05	4.88

ii. Foreign currency risk

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

Derivative instruments hedged and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date

(Foreign currency In lakhs)

Particulars	Currency	March 31, 2023	March 31, 2022
Forward contracts to sell USD	USD	11.00	13.00
Forward contracts to sell EURO	EURO	9.30	6.37

All the derivative instruments have been acquired for hedging purposes.

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

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

As at 31st March 2023

(Foreign currency In lakhs)

Particulars	YEN		USD		EURO		GBP		REAIS		RINGGIT	
	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR
Trade Receivable	-	-	16.29	1,339.11	22.94	2,056.07	0.10	10.54	-	-	-	-
Covered by forward contracts	-	-	11.00	904.45	9.30	833.65	-	-	-	-	-	-
Net Exposure	**-**	**-**	**5.29**	**434.66**	**13.64**	**1,222.41**	**0.10**	**10.54**	**-**	**-**	**-**	**-**
Trade Payable	**-**	**-**	**1.21**	**99.78**	**0.08**	**7.42**	**-**	**-**	**-**	**-**	**-**	**-**
Cash and Bank balances - Net Exposure	-	-	*	*	*	*	*	*	*	*	*	*
Buyers Credit	**580.00**	**359.60**	**-**	**-**	**4.02**	**360.01**	**-**	**-**	**-**	**-**	**-**	**-**

As at 31st March 2022

Particulars	CHF		YEN		USD		EURO		GBP		REAIS		RINGGIT	
	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR
Trade Receivable	-	-	-	-	10.90	826.21	16.85	1,426.54	0.09	8.76	-	-	-	-
Covered by forward contracts	-	-	-	-	10.90	826.21	6.37	539.57	-		-	-	-	-
Net Exposure	**-**	**-**	**-**	**-**	**-**	-	10.48	10.48	**0.09**	**0.09**	-	-	-	-
Trade Payable	*	*	**0.01**	**0.01**	**0.81**	**-**	*	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Cash and Bank balances - Net Exposure	**-**	**-**	**-**	-	*	*	*	*	*	*	*	*	*	*
Buyers Credit	**-**	**-**	**-**	-	**-**	-	**1.83**	**154.93**	**-**	-	**-**	-	**-**	**-**

*Amount is below the rounding off norms adopted by the Company.

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

Foreign Currency Risk Sensitivity

A change of 5% in Unhedged Foreign currency would have following Impact on profit before tax

Particulars	March 31, 2023		March 31, 2022	
	5% Increase	5% decrease	5% Increase	5% decrease
EURO	42.74	(42.74)	44.35	(44.35)
CHF	*	*	*	*
REAIS	*	*	*	*
RINGGIT	*	*	*	*
USD	16.75	(16.75)	(3.07)	3.07
YEN	(17.98)	17.98	*	*
GBP	0.53	(0.53)	0.44	(0.44)
Increase / (decrease) in profit or loss	42.03	(42.03)	41.72	(41.72)

*Amount is below the rounding off norms adopted by the Company.

iii Price Risk

Exposure

Security price risk is the risk that the fair value of

Sensitivity

The sensitivity analysis below is presented with reference to changes in NAV of these securities:-

	March 31, 2023	March 31, 2022
NAV - Increases by 1% *	39.58	22.57
NAV - Decreases by 1% *	(39.58)	(22.57)

* Holding all other variables constant

B. Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company.

The Company is exposed to credit risk from its operating activities (primarily trade receivables), investment in mutual funds, balances, derivatives and deposit with banks, security deposits, investment in mutual funds, balances, derivatives and deposit with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalent, other bank balances and investments

Credit risk related to cash and cash equivalents is managed by accepting highly rated banks and financial institutions. Management does not expect any losses from non-performance by these counterparties.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes security deposits and other receivables. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. The expected credit loss on these financial instruments is expected to be insignificant.

Trade and other receivables

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates have been computed based on ageing.

Movement in allowances for expected credit losses on trade receivables

Particulars	March 31, 2023	March 31, 2022
Opening provision	227.40	270.15
Add:- Loss Allowance	-	-
Less:- Write back against money received	-	(6.49)
Less:- Allowances utilised against bad debts	-	(36.26)
Closing provisions	**227.40**	**227.40**

During the year, the Company made no write-offs of trade receivables

Ageing	Expected credit loss %	
	March 31, 2023	March 31, 2022
Not Due	0%	0%
0-90 days	1%	0%
91-180 days	37%	21%
181-270 days	74%	63%
271-360 days	100%	100%
more than 360 days	100%	100%

(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 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 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, 2023	March 31, 2022
Variable Borrowing - Cash Credit expires within 1 year	2,450.39	2,397.69

Maturity patterns of borrowings

Particulars	As at March 31, 2023			
	0-1 years	1-5 years	beyond 5 years	Total
Short term borrowings (excluding current maturity of long term debt)	719.61	-	-	719.61
Accrued Interest	4.82	-	-	4.82
Total	**724.43**	**-**	**-**	**724.43**

Particulars	As at March 31, 2022			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowing (Including current maturity of long term debt)	9.69	-	-	9.69
Short term borrowings (excluding current maturity of long term debt)	901.86	-	-	901.86
Accrued Interest	1.00	-	-	1.00
Total	**912.55**	**-**	**-**	**912.55**

Maturity patterns of Other Financial Liabilities

As at March 31, 2023	0-3 months	3-6 months	6-12 months	beyond 12 months	Total
Trade Payables	7,426.52	-	-	-	7,426.52
Unpaid Dividend	3.44	-	-	-	3.44
Other Current financial liabilities	557.24	-	-	-	557.24
Total	**7,987.20**	**-**	**-**	**-**	**7,987.20**

As at March 31, 2022	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payables	6,394.09	-	-	-	6,394.09
Unpaid Dividend	3.44	-	-	-	3.44
Other Current financial liabilities	566.35	-	-	-	566.35
Total	**6,963.88**	**-**	**-**	**-**	**6,963.88**

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35 Capital risk management

A Risk Management

The primary objectives of the capital management is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

Company manages its capital structure and makes its adjustments in the light of changes in economic environments.

The Company monitors capital on the basis of the following gearing ratio which is total debt net of cash and bank balances divided by total equity

The management monitors the return on capital.

The gearing ratios were as follows:

Particulars	March 31, 2023	March 31, 2022
Net Debt*	(118.30)	438.80
Equity	16,193.84	12,242.28
Gearing Ratio	(0.73)	3.58

* Net Debt is derived by netting Cash & Bank Balances by Total Borrowings.

Negative amount represents excess of cash & cash equivalents over borrowings.

B Dividends

The Company has not declared and paid any dividend during the year (P.Y. Interim Dividend on Equity Shares of Rs. 93 per fully paid equity share i.e. Rs. 7,213.70 lakhs).

36 The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 are as follows.

	March 31, 2023	March 31, 2022
Principal amount due to suppliers registered under MSME Act and remaining unpaid as at year end	-	-
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	-	-
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 remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of deductible expenditure under section 23 of the MSMED Act	-	-

RING PLUS AQUA LIMITED
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(All amounts are in Rs. lakhs, unless stated otherwise)

37 Earnings per share

	Particulars	**March 31, 2023**	**March 31, 2022**
	Earnings Per Share has been computed as under :		
A	Profit for the year for computing Earnings Per Share	3,911.05	3,872.65
B	Weighted average number of equity shares outstanding – For Basic EPS (Face Value – Rs.10 per share)	77,56,671	77,56,671
C	Add : Weighted average of Employees Stock Option outstanding (Face Value – Rs.10 per share)	96,397	1,08,232
D	Weighted average number of equity shares outstanding – For Diluted EPS (Face Value – Rs.10 per share)	78,53,068	78,64,903
	Basic Earnings Per Share (A/B)	50.42	49.93
	Diluted Earnings Per Share (A/D)	49.80	49.24

38 Assets Pledged as security

The carrying amounts of assets Pledged as security for current borrowings are:

Particulars	**March 31, 2023**	**March 31, 2022**
Current Assets		
Trade receivables	6,768.80	4,702.75
Inventories	5,013.76	5,158.89
Total assets Pledged as security	**11,782.56**	**9,861.64**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

39 Contingent liabilities (to the extent not provided for)

Particulars	**March 31, 2023**	**March 31, 2022**
Claim against the company not acknowledged as debt		
Sales Tax	2.72	39.89
Income Tax	14.26	14.26
Total	**16.98**	**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, 2023**	**March 31, 2022**
Property, plant and equipment	153.12	1,105.09
Less: Capital advances	13.11	330.65
Net Capital commitments	**140.01**	**774.44**

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

41 Fair Value measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.
3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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

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

Financial Assets and Liabilities as at March 31, 2023

Particulars				Routed through P & L				Routed through OCI	Carrying at amortised cost	Total
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total			
Financial Assets										
Investment	8.61	3,957.59	3,966.20	-	3,957.59	8.61	3,966.20	-	3,966.20	3,966.20
Trade receivables	-	6,768.80	6,768.80	-	-	-	-	-	6,768.80	6,768.80
Cash and Cash Equivalents	-	837.91	837.91	-	-	-	-	-	837.91	837.91
Bank Balances Other than Cash and Cash Equivalents	-	3.50	3.50	-	-	-	-	-	3.50	3.50
Other Financial Asset	33.03	3.04	36.07	-	3.04	33.03	36.07	-	0.00	36.07
	41.64	**11,570.84**	**11,612.48**	**-**	**3,960.63**	**41.64**	**4,002.27**	**-**	**11,576.42**	**11,612.48**
Financial Liabilities										
Borrowings	-	719.61	719.61	-	-	-	-	-	719.61	719.61
Trade Payables	-	7,426.52	7,426.52	-	-	-	-	-	7,426.52	7,426.52
Other Financial Liabilities	-	565.50	565.50	-	19.98	-	19.98	-	545.52	565.50
	-	**8,711.63**	**8,711.63**	**-**	**19.98**	**-**	**19.98**	**-**	**8,691.65**	**8,711.63**

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Financial Assets and Liabilities as at March 31, 2022

Particulars				Routed through P & L				Routed through OCI	Carrying at amortised cost	Total
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total			
Financial Assets										
Investment	8.61	2,257.39	2,266.00	-	2,257.39	8.61	2,266.00	-	2,266.00	2,266.00
Trade receivables	-	4,702.75	4,702.75	-	-	-	-	-	4,702.75	4,702.75
Cash and Cash Equivalents	-	472.74	472.74	-	-	-	-	-	472.74	472.74
Bank Balances Other than Cash and Cash Equivalents	-	3.50	3.50	-	-	-	-	-	3.50	3.50
Other Financial Assets	19.32	18.48	37.80	-	37.80	-	37.80	-	37.80	37.80
	27.93	**7,454.86**	**7,482.79**	**-**	**2,295.19**	**8.61**	**2,303.80**	**-**	**7,482.79**	**7,482.79**
Financial Liabilities										
Borrowings	-	911.55	911.55	-	-	-	-	-	911.55	911.55
Trade Payables	-	6,394.09	6,394.09	-	-	-	-	-	6,394.09	6,394.09
Other Financial Liabilities	-	570.78	570.78	-	0.98	-	0.98	-	569.80	570.78
	-	**7,876.42**	**7,876.42**	**-**	**0.98**	**-**	**0.98**	**-**	**7,875.44**	**7,876.42**

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**
- JK Files & Engineering Limited (Formerly known as JK Files (I) Ltd.) (w.e.f. November 11, 2021)
- Scissors Engineering Products Limited (upto November 10, 2021)

II. Entities where control /significant influence by KMP's and their relatives exists and with whom transaction have taken place.

Fellow Subsidiary Companies
- Scissors Engineering Products Limited (w.e.f. November 10, 2021)
- Raymond Apparel Limited
- JK Investors (Bombay) Limited
- JK Files & Engineering Limited (Formerly known as JK Files (I) Ltd.)(upto November 11, 2021)

iii Key Management Personnel:
- Mr. V. Balasubramanian – Non-Executive Director (Whole Time Director upto November 15, 2021)
- Mr. Ravikant Uppal - Non-Executive Director
- Mr. Bhuwan Kumar Chaturvedi – Non-Executive Director (w.e.f. May 03, 2021)
- Mr. Parthiv Kilachand - Independent Director
- Mr. Shiv Surinder Kumar - Independent Director (w.e.f. June 19, 2021)
- Mr. Satish Chand Mathur - Independent Director (w.e.f. September 15, 2021)
- Ms. Rashmi Mundada - Independent Director (w.e.f. March 3, 2023)

iv Trust

Ring Plus Aqua Limited - Employee Gratuity Scheme.

RING PLUS AQUA LIMITED
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(All amounts are in Rs. lakhs, unless stated otherwise)

B. Entities where control /significant influence by KMP's and their relatives exists and with whom transaction have taken place.

Nature of transactions	JK Files & Engineering Limited	Raymond Limited	Scissors Engineering Products Ltd	JK Investor Bombay Ltd	Raymond Apparel Ltd	Key Management personnel
Other Income						
Interest Income	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(209.59)*	- *(-)*
Sale of Property, Plant and Equipment	- *(-)*	- *(-)*	- *(-)*	- *(970.87)*	- *(-)*	- *(-)*
Miscellaneous Income	- *(-)*	- *(-)*	- *(-)*	- *(19.22)*	- *(-)*	- *(-)*
Purchases						
Stores and Spares	4.82 *(6.79)*	- *(1.81)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*
Expenses						
Rent	- *(-)*	*12.81* *(12.81)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*
Facilities Charges	252.00 *(-)*	*352.00* *(217.00)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*
Director Sitting Fees & Commission #	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	34.45 *(44.75)*
Short-term employee benefit*#	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(135.86)*
Post-employment benefit*#	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(3.82)*
Legal and Professional Expenses #	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	16.00 *(16.00)*
Miscellaneous expenses	4.25 *(12.56)*	68.14 *(37.13)*	- *(-)*	- *(35.20)*	- *(-)*	- *(-)*
Finance						
Repayment of Inter Corporate loan Given	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(5,000.00)*	- *(-)*
Dividend Paid	- *(-)*	- *(-)*	- *(6,425.00)*	- *(461.43)*	- *(-)*	- *(-)*
Outstanding						
Trade Payable	45.82 *(0.67)*	73.93 *(1.90)*	- *(-)*	- *(-)*	- *(-)*	21.50 *(-)*
Other Current Financial Liability	- *(0.41)*	- *(58.32)*	- *(-)*	- *(-)*	- *(-)*	- *(20.00)*

(Previous year figures are in brackets)

 # Payment to Key Management personnel include :

Particulars	**March 31, 2023**	**March 31, 2022**
Advisory Fees		
Ravikant Uppal	16.00	16.00
Total	**16.00**	**16.00**
Short-term employee benefit & Post-employment benefit		
V. Balasubramanian	-	139.68
Total	**-**	**139.68**
Directors Sitting Fees & Commission		
Ravikant Uppal	6.00	8.75
B.K.Chaturvedi	7.65	9.75
Parthiv Kilachand	9.00	11.50
Shiv Surinder Kumar	7.13	11.00
Satish Chand Mathur	4.67	8.75
Total	**34.45**	**49.75**

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

43 Post retirement benefit plans

I. DEFINED CONTRIBUTION PLAN:

The Company has defined contribution plan. Contributions are made to provident fund and ESIC for employees as per regulations. The obligation of the company is limited to the amount contributed and it has no further contractual or constructive obligation. The expense recognised during the year are :

Particulars	March 31, 2023	March 31, 2022
Contribution to Provident Fund	133.33	126.29
Contribution to E.S.I.C.	2.95	4.23
Total Contribution to provident funds and other funds	**136.28**	**130.52**

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, 2023	March 31, 2022
Present value of plan liabilities	906.00	962.40
Fair value of plan assets	501.36	582.91
Plan liability net of plan assets	404.64	379.49

B. Movements in plan assets and plan liabilities

Particulars	Plan Assets	Plan liabilities	Plan liability net of plan assets
As at 1st April 2022	582.91	962.40	379.49
Current service cost	-	45.27	45.27
Return on plan assets excluding Interest Income	(20.40)	-	20.40
Interest cost	-	67.18	67.18
Interest income	40.69	-	(40.69)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(30.21)	(30.21)
Actuarial (gain)/loss arising from experience adjustments	-	13.08	13.08
Employer contributions	49.88	-	(49.88)
Benefit paid from fund	(151.72)	(151.72)	-
As at 31st March 2023	**501.36**	**906.00**	**404.64**

Particulars	Plan Assets	Plan liabilities	Plan liability net of plan assets
As at 1st April 2021	566.98	954.29	387.31
Current service cost	-	45.09	45.09
Return on plan assets excluding Interest Income	12.54	-	(12.54)
Interest cost	-	61.46	61.46
Interest income	36.51	-	(36.51)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	0.24	0.24
Actuarial (gain)/loss arising from changes in financial assumptions	-	(25.99)	(25.99)
Actuarial (gain)/loss arising from experience adjustments	-	(14.57)	(14.57)
Employer contributions	25.00	-	(25.00)
Benefit paid from fund	(58.12)	(58.12)	-
As at 31st March 2022	**582.91**	**962.40**	**379.49**

C. The liabilities are split between different categories of plan participants as follows:

Particulars	March 31, 2023	March 31, 2022
No of Members in Service	450	485
The weighted average duration of the defined benefit plans	9	9
The Company expects to contribute to the funded plans in next 12 months (Rs. Lakhs)	85.82	85.45

D. Statement of Profit and Loss

Particulars	March 31, 2023	March 31, 2022
Employee Benefit Expenses:		
Current service cost	45.27	45.09
Interest cost	26.49	24.94
Net impact on the Profit before tax	71.76	70.03
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in interest expense/income	20.40	(12.54)
Actuarial (Gains)/Losses on Obligation For the Period	(17.13)	(40.31)
Net impact on the Other Comprehensive Income before tax	**3.27**	**(52.85)**

E. Defined benefit plans Assets

Particulars	March 31, 2023	March 31, 2022
Insurer Managed Fund	501.36	582.91

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 date, 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, 2023	March 31, 2022
Financial Assumptions		
Discount rate	7.44%	6.98%
Salary Escalation Rate*	7.50%	6.5% to 7.5%
Salary Attrition Rate	For Workers 2% For Staff 5% to 15%	For Workers 2% For Staff 5% to 15%
Demographic Assumptions :		
Mortality in service	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

* Taking into account inflation, seniority, promotion and other relevant factor.

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%)	(60.39)	67.84
Salary Escalation Rate (+1% and -1%)	66.52	(60.31)
Salary Attrition Rate (+1% and -1%)	(0.37)	0.39

Previous Year	**Increase in assumption**	**Decrease in assumption**
Discount rate: (+1%and -1%)	(65.76)	74.08
Salary Escalation Rate (+1%and -1%)	71.88	(65.24)
Salary Attrition Rate (+1% and -1%)	(2.23)	2.44

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of each 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. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

H. 1. The defined benefit obligations shall mature after year as follows:

Year ending 31 March,	March 31, 2023	March 31, 2022
1st Following Year	51.82	70.70
2nd Following Year	48.37	47.79
3rd Following Year	74.22	65.48
4th Following Year	68.97	77.91
5th Following Year	89.38	66.59
Sum of 6 to 10	607.17	579.66

Risk Exposure

Interest rate risk: A fall in the discount rate which is linked to the Government Security Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset volatility Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. These are subject to interest rate risk and the fund manages interest rate risk to an acceptable level.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

2. Compensated Absences :

The amount of provision of Rs. 132.35 lakhs (March 31, 2022 Rs. 132.47 lakhs) carried out by an independent actuary based on assumptions referred in F above, 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, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

44 Net Debt Reconciliation :

Particulars	**March 31, 2023**	**March 31, 2022**
Cash and Bank Balances	837.91	472.74
Current borrowings	(719.61)	(911.55)
Net debt	**(118.30)**	**438.80**

Particulars	**Other Asset**	**Liabilities from financing activities**		**Total**
	Cash and Bank Balances	**Non-current borrowings**	**Current borrowings**	
Net debt as at March 31, 2021	**221.35**	**(9.69)**	**(1,075.65)**	**(863.99)**
Net Cashflows	251.39	9.69	164.10	425.18
Interest expenses	-	-	(53.88)	(53.88)
Interest paid	-	-	53.88	53.88
Net debt as at March 31, 2022	**472.74**	**-**	**(911.55)**	**(438.81)**
Net Cashflows	365.17	-	195.76	560.93
Interest expenses	-	-	(20.25)	(20.25)
Interest paid	-	-	16.43	16.43
Net debt as at March 31, 2023	**837.91**	**-**	**(719.61)**	**118.30**

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

45 Segment Disclosure :

Business Segment

Identification of Segments:
The Directors of the Company (chief operating decision maker) monitor the operating results of its Business segment separately for the purpose of decision making about resource allocation and performance allocation. 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".

Further, no single customer contributes to more than 10% of the company's revenue.

Entity wide disclosure

(a) Information about the product and services. The Company's Product falls under single product category i.e. Automobile components

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

	India		America		Europe		Asia		Australia		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue from contracts with customer *	14,447.75	10,572.52	7,440.51	6,393.28	9,686.78	9,067.63	2,862.13	2,596.51	26.84	41.82	34,464.01	28,671.76
Carrying cost of segment non-current asset**	9,219.72	8,227.03	-	-	-	-	-	-	-	-	9,219.72	8,227.03

Information about major customers - Revenue of approximately Rs. 10,298.98 lakhs (P.Y. Rs. 8,608.22 lakhs) were derived from a single external customer.
* Based on location of customer
** Excluding financial asset and deferred tax asset

(All amounts are in Rs. lakhs, unless stated otherwise)

46 Analytical Ratios :

Sr. No.	Ratios	Unit of measurement	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance March 31, 2023 vs March 31, 2022
1	Current Ratio	in times	Current Asset	Current Liabilities	1.76	1.46	20%
2	Debt-Equity Ratio	in times	Current Borrowings	Total Equity (Equity Share Capital + Other Equity)	0.04	0.07	(40%)
3	Debt Service Coverage Ratio	in times	Earnings available for debt service (profit for the year + depreciation and amortisation expesnes+ finance cost)	Finance cost + Principal repayment of long term borrowings during the year	241.53	62.76	285%
4	Return on Equity Ratio	in percentages	Profit for the year	Average Equity	28%	28%	(1%)
5	Inventory turnover ratio	in times	Cost of Raw Material Consumed + Changes in inventories of finished goods and work-in-progress + Manufacturing cost	Average Inventory	4.74	3.92	21%
6	Trade Receivables turnover ratio	in times	Revenue from Operation	Average Trade Receivables	6.01	6.98	(14%)
7	Trade payables turnover ratio	in times	Cost of Raw Materials Consumed+ Manufacturing and operation expenses + Other Expenses	Average Trade Payables	4.07	3.66	11%
8	Net capital turnover ratio	in times	Revenue from Operations	Current Asset - Current Liabilities	4.76	7.23	(34%)
9	Net profit ratio	in percentages	Profit for the year	Revenue from Operations	11%	14%	(16%)
10	Return on Capital employed	in percentages	Profit before tax + Finance cost	Equity + Borrowings	30%	39%	(22%)
11	Return on investment	in percentages	Net gain on Sale and Fair Valuation of Investments measured at fair value through profit or loss	Average Current Investment + Average Non Current Investment	5%	4%	32%

Reasons for variance of more than 25% in above ratios :

1 Debt Service Coverage Ratio : Variation is due to repayment of non-current borrowing as well as finance cost
2 Debt-Equity Ratio : Variation is due to higher profitability and reduction in debt.
3 Net capital turnover ratio : Variation is due to increase in sale and increase in net working capital.
4 Return on investment : Variation is due to deployment of investment in growth mutual funds.

47 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, 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 independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at 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.

Summary of options granted under the plan :

	March 31, 2023	March 31, 2022
Opening balance	1,08,232	1,11,947
Granted during the year	-	-
Exercised during the year	-	-
Forfeited during the year	11,835	3,715
Closing balance	96,397	1,08,232

The model inputs for options granted included :

Date of grant	26-Apr-19
Number of options granted	1,11,947
Exercise price per option	Rs. 10.00
Vesting period	Over a period of 4 years from the date of Initial Public Offering (IPO) of the Company as under : 40% of Options at the time of Company's IPO 20% of Options after completing 1 year of Company's IPO 20% of Options after completing 2 year of Company's IPO 20% of Options after completing 3 year of Company's IPO
Exercise period	One year from the date of vesting
Expected Terms	5.9 years
Share Price at grant date	277.00
Fair Value of Shares Option	271.05
Expected Price volatility of the Company's Shares	48%
Expected dividend yield	0%
Risk-Free interest rate	7.67%

B. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at the grant date and expected price volatility of the underlying share.

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, 2023	March 31, 2022
Employee Benefit Expenses	42.96	44.98

48 Effective October 31, 2021, Scissors Engineering Products Ltd. (SEPL) has become a wholly owned subsidiary of JK Files & Engineering Limited. Subsequently, SEPL transferred 89.07% of equity share capital of Ring Plus Aqua Limited (RPAL), the then subsidiary of SEPL, at Nil consideration to JK Files & Engineering Limited. Accordingly, effective November 11, 2021, RPAL has become a direct subsidiary of JK Files & Engineering Limited.

49 The Company during the financial year offered 'voluntary retirement benefits' (VRS scheme) to 29 employees, who have opted for the scheme. The Company has determined and paid Rs. 334.97 lakhs to eligible employees.

50 Additional regulatory information required by Schedule III :

(i) Details of benami property held :
No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Valuation of PP&E, intangible asset and investment property :
The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets.

(iii) Wilful defaulter :
The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies :
The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies :
The compliance with the number of layers prescribed under the Companies Act, 2013 is not applicable to the Company.

(vi) Compliance with approved scheme(s) of arrangements :
The Company has not entered into any scheme of arrangement which has an accounting impact.

(vii) Utilisation of borrowed funds and share premium :
The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
A. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
B. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
The borowings obtained by the Company from the Banks have been utilised for the purpose for which such loans were taken.

(viii) Undisclosed income :
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Utilisation of borrowings availed from banks and financial institutions :
The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were was taken.

(x) Details of crypto currency or virtual currency :
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

51 The Company has approved its financial statements in its Board Meeting dated May 2, 2023.

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/-
Ravikant Uppal
Director
DIN : 00025970

Sd/-
V. Balasubramanian
Director
DIN : 05222476

Place : Mumbai
Date : May 2, 2023

RAYMOND WOLLEN OUTERWEAR LIMITED

ANNUAL REPORT 2022-23

BOARD OF DIRECTORS	:	SHRI R. K. BHATNAGAR SHRI H. K. CHATTERJEE SHRI VIJAY PATIL
STATUTORY AUDITORS	:	M/S. M G M & COMPANY, 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 Eighteenth Annual Report on the business and operations of the Company along with Audited Financial Statements for the year ended March 31, 2023.

1. FINANCIAL HIGHLIGHTS/ OPERATIONAL PERFORMANCE

During the year, the company earned a Profit after tax of Rs. 0.07 crore (Previous Year Profit: Rs. 0.07 crore).

2. DIVIDEND

In order to conserve resources, your Company has not declared any dividend for the FY 2022-23.

3. RESERVES

Your company has not transferred any amount to the reserves of the Company.

4. AUDITORS

M/s. M G M & Company, Chartered Accountants registered with the Institute of Chartered Accountants of India (ICAI) vide Registration No: 117963W were appointed as the Statutory Auditors of the Company at its Annual General Meeting dated July 13, 2022 for FY 2022-23.

The term of M/s. M G M & Company, Chartered Accountants (ICAI Firm Registration Number 117963W) expires at ensuing Annual General Meeting of the Company and are eligible for re-appointment and have conveyed their willingness for being re-appointed as Statutory Auditors. The Board of Directors of the Company has recommended to appoint Messrs. MGM & Company, Chartered Accountants (ICAI Firm Registration Number 117963W), as Statutory Auditors of the Company for a term of five years according to Section 139 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to the appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no audit qualification in the financial statements by the statutory auditors for the year under review.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is periodically assessed and strengthened with new / revised standard operating procedures.

6. SHARE CAPITAL

The paid-up Equity Share Capital as on March 31, 2023 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, 2023, 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 Harish Chatterjee, 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			
		14.05.2022	28.07.2022	31.10.2022	27.01.2023
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, 2023, 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, 2023 and of the profit 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. 2022-23 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, 2023 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 03, 2023	**Vijay Patil**	**R. K. Bhatnagar**
Place : Mumbai	**Director**	**Director**
	DIN: 07173161	**DIN: 02313614**

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Raymond Woollen Outwear Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Raymond Woollen Outwear Limited** (the Company), which comprise the Balance sheet as at 31st March, 2023, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023 and its profit, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of Companies Act, 2013 and the rules thereunder and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained in sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Other Matter

The financial statements of the Company for the financial year ended 31st March, 2022 were audited by another auditor who expressed an unqualified opinion on those financial statements, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the standalone financial statements. Our audit report is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

    c) The Balance Sheet, Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

    d) In our opinion, the financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

e) On the basis of the written representations received from the directors as on 31^{st} March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   I. The Company does not have any pending litigations which would impact its financial position.

   II. The company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.

   III. There have been no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

   IV. (a) Management has represented to us that , to the best of its knowledge and belief, and as disclosed in the notes to the accounts no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) Management has represented to us that, to the best of its knowledge and belief, and as disclosed in the notes to the account no funds have been received by the company from any person(s) or entity(is), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances , nothing has come to our attention that cause us to believe that the representation given by the management under sub-clause (2)(h) (iv) (a) & (b) contain any material misstatement.

V. The Company has not declared or paid any dividend during the year ended 31st March 2023.

3. 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 MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

Place: Pune
Date: 03/05/2023
UDIN: 23104633BGTYIM2583

CA Mangesh Katariya
Partner
Membership No. 104633

“ANNEXURE A” REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF RAYMOND WOOLLEN OUTWEAR LIMITED

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

(i) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any property, plant and equipment or intangible assets or right of use assets or investment property and accordingly, reporting under clause 3(i) of the Companies (Auditor’s Report) Order, 2020 (hereinafter referred to as the Order) is not applicable to the Company.

(ii)

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no inventories held in the name of the Company. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.

b) The company has not been sanctioned working capital limits in excess of five crore rupees at any point of time of the year, in aggregate, from banks or financial institutions. Accordingly, paragraph 3(ii)(b) of the order is not applicable.

(iii) According to the information and explanations given to us, the Company has not made investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, paragraph 3(iii) of the order is not applicable.

(iv) According to the information and explanations given to us, the Company has not granted any loan or provided any guarantees or security to the parties covered under Section 185 of the Act and the company has not made investment hence, provision of Section 186 of the Act is not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.

(vi) According to the information and explanations given to us, the Central Government under sub-section (1) of Section 148 of the Act has not prescribed maintenance of cost records in respect of the activities carried out by the company.

(vii)

a) According to the information and explanations given to us and on the basis of our examination, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Income Tax, Goods and Service Tax and other material statutory dues as applicable to the Company with the appropriate authorities.

No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at 31st March, 2023 for a period of more than six months from the date they became payable:

b) According to the records of the Company, there are no dues of Income Tax, Goods and Service tax which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination, there is no unrecorded transaction which have been surrendered and disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

(ix)

a) In our opinion and according to the information and explanations given to us, the company has not raised any term loans during the year. Accordingly, reporting under clause 3(ix)(a) of the Order is not applicable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

c) According to the information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

d) In our opinion and according to the information and explanations given to us, the Company has not taken any short term loan. Hence reporting under clause 3(ix)(d) of the Order is not applicable.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company does not have any subsidiary or associate company as defined under the companies Act, 2013. The company does not hold any investment in any joint venture (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) of the Order is not applicable.

f) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company does not have any subsidiary or associate company as defined under the companies Act, 2013. The company does not hold any investment in any joint venture (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x)

a) According to the information and explanations given to us and on the basis of our examination, the Company has not raised any money by way of initial public offer / further public offer / debt instruments.

b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xi)

a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us, no whistle blower complains were received by 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.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to appoint internal auditors as per the act and rules made thereunder. Accordingly, reporting under clause 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi)

a) To the best of our knowledge and according to the information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.

c) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) Based on the information and explanations given to us and as represented by the management of the Company, the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditor during the year and accordingly this clause is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us and based on our examination of the records of the Company, The Company does not fulfil the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause xxi is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

Place: Pune
Date: 03/05/2023
UDIN: 23104633BGTYIM2583

Mangesh Katariya
Partner
Membership No. 104633

“ANNEXURE B” REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF RAYMOND WOOLLEN OUTWEAR LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Raymond Woollen Outwear Limited (“the Company”) as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: 03/05/2023
UDIN: 23104633BGTYIM2583

Raymond Woollen Outerwear Limited
New Hind House, Narottam Morarji Marg, Ballard Estate, Mumbai 400001
CIN: U17120MH2005PLC154066

Balance Sheet As at 31st March 2023

(Amounts in Rs. Lakhs)

Sr. No	Particulars	Note	As at 31st March 2023	As at 31 March 2022
I	**ASSETS**			
1	**Non-current Assets**			
	a) Financial Assets			
	(i) Investment	2	0.20	0.20
	(ii) Other Financial Assets	3	-	13.70
	b) Asset for Income Tax (Net)	4	-	1.63
	c) Other Non-current assets	5	0.10	0.10
			0.30	**15.63**
2	**Current assets**			
	a) Financial Assets			
	(i) Cash and cash equivalents	6	3.93	2.90
	(ii) Other Bank Balances	7	148.44	134.74
	b) Other current assets	8	12.85	4.82
			165.22	**142.46**
	TOTAL ASSETS		**165.52**	**158.09**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	Equity share capital	9	194.00	194.00
	Other equity	10	(29.89)	(37.00)
			164.11	**157.00**
2	**Current liabilities**			
	Financial Liabilities			
	(i) Trade Payables	11	1.41	1.06
	Other current liabilities	12	-	0.03
			1.41	**1.09**
	TOTAl EQUITY AND LIABILITIES		**165.52**	**158.09**

Statement of Significant Accounting Policies. 1
The accompanying notes are an integral part of these financial statements

As per our report of even date
For M G M & Company
Chartered Accountants
Firm Registration No: 0117963W

For and on behalf of Board of Directors

Sd/-
Mangesh Katariya
Partner
Membership Number: 104633
Place: Pune
Date: 03/05/2023

Sd/-
Ram Bhatnagar
Director
DIN: 02313614
Place: Mumbai
Date: 03/05/2023

Sd/-
Vijay Patil
Director
DIN:07173161

Raymond Woollen Outerwear Limited
New Hind House, Narottam Morarji Marg, Ballard Estate, Mumbai 400001
CIN: U17120MH2005PLC154066

Statement Of Profit And Loss For the Period Ended 31st March 2023

(Amounts in Rs. Lakhs)

Sr. No.	Particulars	Note No.	Year ended 31st March 2023	Year ended 31st March 2022
I	**INCOME**			
	Other Income	13	7.94	7.64
	Total Income (I)		**7.94**	**7.64**
II	**EXPENSES:**			
	Other Expenses	14	0.67	0.57
	Total Expenses (II)		**0.67**	**0.57**
III	**Profit/(Loss) before tax**		**7.27**	**7.07**
	Prior Period Tax		0.16	
IV	**Profit/(Loss) for the period**		**7.11**	**7.07**
V	**Other Comprehensive Income for the year**		-	-
VI	**Total Comprehensive Income for the year**		**7.11**	**7.07**
VII	**Earnings Per Equity Share of Rs. 10/- each:**	40		
	Basic & Diluted earnings per share (Rs.)		**0.37**	**0.36**

Statement of Significant Accounting Policies. 1
The accompanying notes are an integral part of these financial statements

As per our report on even date
For M G M and Compnay
Chartered Accountants
FRN: 117963W

For and on behalf of the Board of Directors

Sd/-
CA Mangesh Katariya
Partner
Membership No. 104633
Place: Pune
Date: 03/05/2023

Sd/-
Ram Bhatnagar
Director
DIN: 02313614
Place: Mumbai
Date: 03/05/2023

Sd/-
Vijay Patil
Director
DIN:07173161

Raymond Woollen Outerwear Limited
New Hind House, Narottam Morarji Marg, Ballard Estate, Mumbai 400001
CIN: U17120MH2005PLC154066

Statement of changes in equity

A. Equity Share Capital *(Amount in Rs. Lakhs)*

Particulars	Notes	Amount
As at 31 March 2021	9	194.00
As at 31 March 2022		194.00
As at 31 March 2023		194.00

B. Other Equity

Particulars	Notes	Reserve & Surplus		Total
		Capital Reserve	Retained earning	
Balance at 31st March 2021	10	49.97	(94.04)	**(44.07)**
Changes in accounting policy or prior period errors		-	-	-
Restated balance at the beginning of the current reporting Period		-	-	-
Profit for the year			**7.07**	**7.07**
Other Comprehensive Income for the year		-	-	-
Balance at 31st March 2022		**49.97**	**(86.97)**	**(37.00)**
Changes in accounting policy or prior period errors		-	-	-
Restated balance at the beginning of the current reporting Period		-	-	-
Profit for the year			**7.11**	**7.11**
Other Comprehensive Income for the year		-	-	-
Balance at 31st March 2023		**49.97**	**(79.86)**	**(29.89)**

Statement of Significant Accounting Policies 1
The accompanying notes are an integral part of these financial statements

As per our report of even date
For M G M & Company
Chartered Accountants
Firm Registration No: 0117963W

For and on behalf of the Board of Directors

Sd/-
Mangesh Katariya
Partner
Membership Number: 104633
Place: Mumbai
Date: 03/05/2023

Sd/-
Ram Bhatnagar
Director
DIN: 02313614
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Director
DIN:07173161

Raymond Woollen Outerwear Limited
New Hind House, Narottam Morarji Marg, Ballard Estate, Mumbai 400001
CIN: U17120MH2005PLC154066

Cash Flow Statement for the period ended 31st March 2023

(Amount in Rs. Lakhs)

	Particulars	Year ended 31st March 2023	Year ended 31st March 2022
A.	**Cash Flow arising from Operating Activities:**		
	Profit / Loss before tax as per Statement of Profit and loss	7.27	7.07
	Add / (Deduct):		
	Interest Income	(7.94)	(7.64)
	Operating Cash flow before Working Capital Changes	(0.67)	(0.57)
	Change in Operating Asset and Liabilities		
	(Increase) / Decrease in other current asset	(12.39)	(0.05)
	(Increase) / Decrease in Non-current asset	-	0.46
	Increase / (Decrease) in Trade payables	0.34	0.58
	Increase / (Decrease) in other current liabilities	(0.03)	(0.02)
		(12.08)	**0.97**
	Cash Inflow/(Out flow) from Operations before tax	**(12.75)**	**0.40**
	Add/(Less) : Tax refund /(paid)	**1.47**	**0.16**
	Net Cash Inflow / (Outflow) from Operating Activities (A)	**(11.28)**	**0.56**
B.	**Cash Flow arising from Investing Activities :**		
	Interest Received	7.94	8.85
	Investment of Deposits with Bank	4.37	8.03
	Net Cash Inflow / (outflow) from Investing Activities (B)	**12.31**	**0.82**
	Net Increase / (Decrease) in Cash and Cash Equivalents(A+B)	1.03	1.38
	Cash and Cash Equivalents at beginning of the financial year	2.90	1.52
	Cash and Cash Equivalents at the end of financial year	**3.93**	**2.90**

The accompanying notes are an integral part of these financial statements

As per our Report of even date
For M G M & Company
Chartered Accountants
Firm Registration No: 0117963W

For and on behalf of Board of Directors

Sd/-
Mangesh Katariya
Partner
Membership Number: 104633
Place: Mumbai
Date: 03/05/2023

Sd/-
Ram Bhatnagar
Director
DIN: 02313614
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Vijay Patil
Director
DIN:07173161

Raymond Woollen Outerwear Limited
New Hind House, Narottam Morarji Marg, Ballard Estate, Mumbai 400001
CIN: U17120MH2005PLC154066

Notes to the Financial Statements for the year ended 31st March, 2023

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.

(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.

Note 1 :- STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(e) 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.

Note 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 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. 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.

(f) 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.

Notes to the Financial Statements for the year ended 31st March, 2023

Note 1 :- STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(g) 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.

(h) 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.

(i) 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.

(j) Provisions and Contingent Liabilities

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

A contingent asset is disclosed, where an inflow of economic benefits is probable. The Company does not recognize a contingent asset unless the recovery is virtually certain.

(k) Revenue recognition

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.

Notes to the Financial Statements for the year ended 31st March, 2023

Note 1 :- STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(l) 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.

Notes to the Financial Statements for the year ended 31st March, 2023

Note 1 :- STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(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.

In view of reduction of business activities, the Company may not have future taxable profits pertaining to its Business. Accordingly, deferred tax assets has not been recognized on unabsorbed losses and depreciation under the Income Tax Act, 1961.

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.

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.

(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.

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) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(p) 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.

Raymond Woollen Outerwear Limited
New Hind House, Narottam Morarji Marg, Ballard Estate, Mumbai 400001
CIN: U17120MH2005PLC154066

Notes to the Financial Statements for the year ended 31st March, 2023

Note 2 - Investment

(Amount in Rs. Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
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

(Amount in Rs. Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Bank deposit with greater than 12 months maturity	-	13.70
Total	**-**	**13.70**

Note 4 - Asset for Income tax (Net)

(Amount in Rs. Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Advance Tax (Net)	-	1.63
Total	**-**	**1.63**

Note 5 - Other non-current assets

(Amount in Rs. Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Security Deposits	0.10	0.10
Total	**0.10**	**0.10**

Raymond Woollen Outerwear Limited
New Hind House, Narottam Morarji Marg, Ballard Estate, Mumbai 400001
CIN: U17120MH2005PLC154066

Notes to the Financial Statements for the year ended 31st March, 2023

Note 6 - Cash and Cash Equivalents

(Amount in Rs. Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Balance with Banks		
-In Current Accounts	3.93	2.90
Total	**3.93**	**2.90**

Note 7 - Other Bank Balances

(Amount in Rs. Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Bank deposit with less than 12 months maturity	148.44	134.74
Total	**148.44**	**134.74**

Note 8 - Other Current Assets

(Amount in Rs. Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Balance with government authorities, considered good	1.33	0.45
Interest receivable on deposit with banks	11.39	4.25
Interest receivable - others	0.12	0.12
Total	**12.85**	**4.82**

Raymond Woollen Outerwear Limited
New Hind House, Narottam Morarji Marg, Ballard Estate, Mumbai 400001
CIN: U17120MH2005PLC154066

Notes to the Financial Statements for the year ended 31st March, 2023

Note 9 -Equity Share Capital

(Amount in Rs. Lakhs)

Particulars	As at 31st March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
Authorised				
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 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

(Amount in Rs. Lakhs)

Particulars	As at 31st March 2023		As at 31 March 2022	
	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 2023	As at 31 March 2022
Equity Shares of Re. 10 each held by:		
Shares 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 2023		As at 31 March 2022	
	No. of shares	Percentage	No. of shares	Percentage
Equity Shares :				
Raymond Limited, the holding company	19,31,000	99.54%	19,31,000	99.54%

The Company has authorised preference shares capital of Rs. 4000 lakhs comprising of 40,000,000 shares having face value of Rs.10/- each

Raymond Woollen Outerwear Limited
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Notes to the Financial Statements for the year ended 31st March, 2023

Note 10 - Other Equity

(Amount in Rs. Lakhs)

Particulars	Capital Reserve	Retained earning	Total
Balance as at 31st March, 2021	49.97	(94.04)	(44.07)
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the current reporting Period			-
Profit for the year	-	7.07	7.07
Other Comprehensive Income for the year (Remeasurement of defined benefit plan)		-	-
Balance as at 31st March 2022	**49.97**	**(86.97)**	**(37.00)**
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the current reporting Period			-
Profit for the year	-	7.11	7.11
Other Comprehensive Income for the year (Remeasurement of defined benefit plan)		-	-
Balance as at 31st March 2023	**49.97**	**(79.86)**	**(29.89)**

Note 11 - Trade Payables
Trade Payables Ageing Schedule as at 31st March 2023

Particulars	Outstanding Outstanding for following periods from due		
	Less than 1 year	1-2 years	Total
(i) MSME (ii) Others (iii) Disputed dues – MSME (iv) Disputed dues – Others	1.41	-	1.41

Trade Payables Ageing Schedule as at 31st March 2022

Particulars	Outstanding Outstanding for following periods from due		
	Less than 1 year	1-2 years	Total
(i) MSME (ii) Others (iii) Disputed dues – MSME (iv) Disputed dues – Others	-	-	-

Note 12 - Other Current Liabilities

(Amount in Rs. Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Statutory Dues	-	0.03
Total	**-**	**0.03**

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Notes to the Financial Statements for the year ended 31st March, 2023

Note 13 - Other Income

(Amout in Rs. Lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Interest Income	7.94	7.64
Total	**7.94**	**7.64**

Note 14 - Other Expenses

(Amout in Rs. Lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Legal and Professional Expenses	0.36	0.26
Auditor's remuneration	0.30	0.30
Miscellaneous Expenses	0.01	0.01
Total	**0.67**	**0.57**

Note 15 - Earnings per share

(Amout in Rs. Lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Profit attributable to the equity share holders	7.27	7.07
Weighted average number of Equity Shares outstanding during the year	19,40,000	19,40,000
Basic and Diluted Earing Per Share (Rs.)	0.37	0.36

Notes to the Financial Statements for the year ended 31st March, 2023

16 Contingent Liabilities and Commitments

The company does not have any contingent liability, pending litigation or commitment as at the end of the year.

17 Related Party Transactions

a. Relationships

Name	Type
Raymond Limited	Holding Company

b. Transactions carried out with related parties :

The company has not carried out any transaction with related party.

18 Deferred Tax

In view of reduction of business activities, the Company may not have future taxable profits pertaining to its Business. Accordingly, deferred tax assets has not been recognized on unabsorbed losses and depreciation under the Income Tax Act, 1961.

Tax losses : *(Amout in Rs. Lakhs)*

Particulars	31st March 2023	31st March 2022
Unabsorbed deprecation for which no deferred tax asset has been recognised	122.40	127.59
Potential tax benefit for @ 26%	31.82	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%	8.36	8.36
Unabsorbed business loss for which no deferred tax asset has been recognised	-	2.08
Potential tax benefit for @ 26%	-	0.54

19 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).

20 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 any 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.

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Notes to the Financial Statements for the year ended 31st March, 2023

21 Fair value measurement

(Amout in Rs. Lakhs)

Particulars	As at 31st March 2023			As at 31st March 2022		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets						
Investment						
Unquoted - Government Securities	-	-	0.20	-	-	0.20
Cash and Cash equivalents	-	-	3.93	-	-	2.90
Other bank Balance	-	-	148.44	-	-	134.74
Other Non-Current financial assets	-	-	-	-	-	13.70
Total Financial Asset	**-**	**-**	**152.57**	**-**	**-**	**151.54**
Financial Liabilities						
Trade Payables	-	-	1.41	-	-	1.06
Other Current liabilities	-	-	-	-	-	0.03
Total Financial Liabilities	**-**	**-**	**1.41**	**-**	**-**	**1.09**

Asset and liabilities which were measured at amortised cost at 31st March 2023	Notes	Level 1	Level 2	Level 3	Total
Financial Asset					
Investment					
Unquoted - Government Securities	2	-	-	0.20	0.20
Cash and Cash equivalents	6	-	-	3.93	3.93
Other bank Balance	7	-	-	148.44	148.44
Total Financial Asset		**-**	**-**	**152.57**	**152.57**
Financial Liabilities					
Trade Payables	10	-	-	1.41	1.41
Other Current liabilities	11			-	-
Total Financial Liabilities		**-**	**-**	**1.41**	**1.41**

Asset and liabilities which were measured at amortised cost at 31st March 2022	Notes	Level 1	Level 2	Level 3	Total
Financial Asset					
Investment					
Unquoted - Government Securities	2	-	-	0.20	0.20
Cash and Cash equivalents	6	-	-	2.90	2.90
Other Non-Current financial assets	3	-	-	13.70	13.70
Other bank Balance	7	-	-	134.74	134.74
Total Financial Asset		**-**	**-**	**151.54**	**151.54**
Financial Liabilities					
Trade Payables	10	-	-	1.06	1.06
Other Current liabilities	11			0.03	0.03
Total Financial Liabilities		**-**	**-**	**1.09**	**1.09**

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.

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Notes to the Financial Statements for the year ended 31st March, 2023

Note 22 - Analytical Ratios

Sr. No.	Particulars	Numerator	Denominator	2022-23	2021-22	Variance
1	Current Ratio ^	Current Assets	Current Liabilities	102.49	4,988.53	-98%
2	Debt-Equity Ratio	Total Debt	Shareholders' Equity	-	-	-
3	Debt Service Coverage Ratio	Earnings available for debt service *	Principal + Interest & Lease payment	-	-	-
4	Return on Equity Ratio	Net Profit after tax	Shareholders' Equity	4.43%	4.50%	-2%
5	Inventory turnover Ratio	Net Sales	Average Inventory	-	-	-
6	Trade Receivables turnover Ratio	Net Credit Sales	Average Account receivables	-	-	-
7	Trade payables turnover Ratio	Net Credit Purchases	Average Trade Payables	-	-	-
8	Net capital turnover Ratio	Net Sales	Working Capital	-	-	-
9	Net profit Ratio	Net Profit	Net Sales	-	-	-
10	Return on Capital Employed	EBIT	Capital Employed #	4.43%	4.50%	-2%
11	Return on Investment	Income generated from investments	Average investments	5.35%	5.19%	3%

* Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss sale of fixed asset etc.
# Tangible Net Worth + Total Debt + Deferred Tax Liability

^ FDs of Rs 13 Lakhs deposited in previous year for maturity beyond 12 months were categorised as Non-Current and hence reduction in Current Ratio.

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Notes to the Financial Statements for the year ended 31st March, 2023

23 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.

24 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.

25 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.

26 To the best of knowledge and belief the company, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.

Also to the best of knowledge and belief of the company, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Other statutory information

27 DETAILS OF BENAMI PROPERTY HELD

The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder

28 RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company do not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

29 WILLFUL DEFAULTER

The Company has not been declared a willful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

30 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

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Notes to the Financial Statements for the year ended 31st March, 2023

31 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY
The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

32 The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

33 The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

34 UNDISCLOSED INCOME
The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

35 BORROWINGS OBTAINED ON THE BASIS OF SECURITY OF CURRENT ASSETS
During the current year , the Company does not borrow any fund and hence this clause is not applicable.

36 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM
During the current year , the Company does not borrow any fund and hence this clause is not applicable

37 REVALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS
The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year

38 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES
The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017

As per our report on even date
For M G M & Company
Chartered Accountants
Firm Registration No: 0117963W

Sd/-
Mangesh Katariya
Partner
Membership Number: 104633
Place: Pune
Date: 03/05/2023

For and on behalf of Board of Directors

Sd/-
Ram Bhatnagar
Director
DIN: 02313614
Place: Mumbai
Date: 03/05/2023

Sd/-
Vijay Patil
Director
DIN:07173161

RAYZONE PROPERTY SERVICES LIMITED

(INCORPORATED ON 11.11.2022)

FIRST ANNUAL REPORT

BOARD OF DIRECTORS	:	SHRI HARMOHAN SAHNI SHRI SANDEEP MAHESHWARI SHRI ASHISH AGGARWAL
STATUTORY AUDITORS	:	MESSRS CHATURVEDI & SHAH LLP, CHARTERED ACCOUNTANTS (Appointed as First Auditors till conclusion of 1st Annual General Meeting)
REGISTERED OFFICE	:	JEKEGRAM, POKHARAN ROAD NO. 1, THANE – 400 606, MAHARASHTRA

RAYZONE PROPERTY SERVICES LIMITED
(CIN: U74999MH2022PLC393306)

DIRECTORS' REPORT

To,
The Members
RAYZONE PROPERTY SERVICES LIMITED

Your Directors take pleasure in presenting the First Annual Report together with Audited Financial Statements for the period ended on March 31, 2023.

1. FINANCIAL SUMMARY AND HIGHLIGHTS OF PERFORMANCE

The Company was incorporated on November 11, 2022. The revenue from operations of the Company was Nil and the loss after tax stood at Rs. 21,331 for the financial year 2022-23.

2. DIVIDEND

The Directors of your Company did not recommend any dividend to the shareholders for the period ended March 31, 2023.

3. RESERVES

Your Company has not transferred any amount to the General Reserves of the Company.

4. STATUTORY AUDITORS

Chaturvedi & Shah LLP, Chartered Accountants (Firm Registration no. 101720W / W100355), were appointed as the first Statutory Auditors of the Company by the members at their Extraordinary General Meeting held on February 08, 2023 to hold office till the conclusion of the First Annual General Meeting ('AGM') of the Company.

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company have appointed Chaturvedi & Shah LLP, Chartered Accountants (Firm Registration no. 101720W / W100355), as the Statutory Auditors of the Company for a term of five years from the conclusion of the first AGM till the conclusion of the sixth AGM of the Company, subject to the approval of the Members of the Company.

In this regard, Chaturvedi & Shah LLP, Chartered Accountants (Firm Registration no. 101720W / W100355) have confirmed that they are eligible and qualified to be appointed as Statutory Auditors of the Company in terms of Section 139 of the Companies Act, 2013 and also satisfy the criteria provided in Section 141 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the Members of the Company.

There has been no qualification, reservation or adverse remark made by the auditors in their audit report for the financial year ended March 31, 2023.

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 authorised share capital of the Company as on March 31, 2023 stood at Rs. 1,00,000 divided into 10,000 Equity Shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the Company as on March 31, 2023 stood at Rs. 50,000 divided into 5,000 Equity Shares of Rs.10/- each. During the year under review, the Company has not issued any shares apart from allotment of shares to subscribers to the Memorandum of Association.

7. PUBLIC DEPOSITS

During the under review, the Company has not accepted any public deposits under Section 73 of the Companies Act, 2013.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees or Investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, forms part of the Notes to the Financial Statements.

9. DIRECTORS

Shri Harmohan Sahni (DIN: 00046068), Shri Sandeep Maheshwari (DIN: 08254851) and Shri Ashish Aggarwal (DIN: 09231011) were appointed as First Directors of the Company from the date of incorporation of the Company i.e. November 11, 2022.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Harmohan Sahni (DIN: 00046068), Director of the Company retires by rotation at the forthcoming Annual General Meeting ('AGM') and, being eligible offer himself for re-appointment.

Profile of Director being re-appointed at the ensuing AGM, as required by Secretarial Standard- 2 on General Meetings, is given in the notice of the ensuing AGM. The above re-appointment forms part of the Notice of the ensuing AGM and the resolution is recommended for members' approval.

10. DIRECTORS

During the year, two Board Meetings were held on December 07, 2022 and January 19, 2023. Attendance of the Board Members is given below:

Date of the Board Meeting	Attendance of Directors		
	Shri Harmohan Sahni	Shri Sandeep Maheshwari	Shri Ashish Aggarwal
07/12/2022	✓	✓	✓
19/01/2023	✓	✓	✓

11. COMPLIANCE WITH SECRETARIAL STANDARDS

In terms of Section 118(10) of the Companies Act, 2013, the Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Meetings of the Board of Directors and General Meetings.

12. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year 2022-2023 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.

13. RISK MANAGEMENT

The Company has adequate risk management measures which are implemented, developed, assessed, reviewed and strengthened from time to time.

14. 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.

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:

a. in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b. 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, 2023 and of the loss of the Company for the year ended on that date;

c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. that the Directors have prepared the annual accounts on a going concern basis; and
e. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the Company has no manufacturing facility, information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, on conservation of energy and technology absorption and foreign exchange earnings and outgo is not applicable.

17. ANNUAL RETURN

As per Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and relevant Rules, as amended from time to time, every company is required to place a copy of the annual return on the website of the Company, if any, and the web-link of such annual return shall be disclosed in the Board's Report. Since the Company does not have a website, such provisions are not be applicable to the Company.

18. 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, 2023 is not applicable to the Company.

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 period and the date of this Report.

20. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Since the Company does not have required number of employees on its payroll, the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are not applicable to the Company.

21. SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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.

22. DISCLOSURES

No application has been made under the Insolvency and Bankruptcy Code. The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

23. RESIDUARY DISCLOSURES

During the year under review:

i. the Company has not issued equity shares with differential rights as to dividend, voting or otherwise. Hence, disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;

ii. the Company has not issued sweat equity shares to its employees. Hence, disclosure under Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;

iii. no Company has become or ceased to be its Subsidiaries, joint ventures or associate Companies. Hence, disclosure under Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is not applicable;

iv. provisions of Section 135 of the Companies Act, 2013 (‘Act’) is not applicable to the Company, hence disclosure under section 134(3)(o) of the Act is not applicable;

v. Company does not have any Independent Directors, hence disclosure under section 134(3)(d) of the Act is not applicable;

vi. Company does not fall under provisions of 178 of the Act, hence disclosure under section 134(3)(e) of the Act is not applicable;

vii. Company does not fall under provisions of Rule 8(4) of the Companies (Accounts) Rules, 2014, hence disclosure under section 134(3)(p) of the Act is not applicable;

viii. the provisions of Section 125(2) of the Act, do not apply as there was no unclaimed dividend in the previous years.

ix. there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable.

x. Company was not required to maintain the cost records and the requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act were not applicable for the business activities carried out by the Company.

24. ACKNOWLEDGEMENT

The Directors extend their grateful appreciation for the co-operation, support and valuable guidance received from banks, government and other statutory authorities.

For and on behalf of the Board of Directors of
RAYZONE PROPERTY SERVICES LIMITED

	Sd/-	Sd/-
	HARMOHAN SAHNI	SANDEEP MAHESHWARI
Place: Mumbai	DIRECTOR	DIRECTOR
Date: May 04, 2023	DIN: 00046068	DIN: 08254851

INDEPENDENT AUDITOR'S REPORT

To the Members of Rayzone Property Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Rayzone Property Services Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, 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, 2023 and its loss (including other comprehensive income) , its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) prescribed under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements as per the ICAI's Code of Ethics and the provisions of the Companies Act, 2013 and Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and

Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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, 2023.

    b. The Company has no long term contracts including derivative contracts outstanding as on March 31, 2023.

    c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

    d.
        i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate

Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries,

ii. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (i) and (ii) above contain any material misstatement.

iv. Proviso to Rule 3 (1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

e. The Company has not declared or paid any dividend during the year ended 31 March 2023.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Sd/-

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 23103418BGXVIO3122
Place: Mumbai
Date: 04/05/2023

Annexure A to Independent Auditor's Report – March 31, 2023

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Rayzone Property Services Limited** ('the Company') on the financial statements for the year ended March 31, 2023, we report the following:

i. The Company does not have any property, plant and equipment or intangible assets or right of use assets or investment property and accordingly, reporting under clause 3(i) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as the Order) is not applicable to the Company.

ii. As explained to us and on the basis of the records examined by us, The company does not hold any inventory. Accordingly, clause 3(ii) of the Order is not applicable to the Company.

iii. In our opinion and according to the information and explanations provided to us, The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, The Company has not granted any loan or provided any guarantees or security to the parties covered under Section 185 of the Act and the company has not made investment hence, provision of Section 186 of the Act is not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from public and hence the directives issued by Reserve Bank of India and relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), the rules framed there under shall not apply. Accordingly, clause 3(v) of the Order is not applicable to the Company.

vi. According to the information and explanation given to us, pursuant to the rules made by The Central Government of India which does not specify the maintenance of cost record under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

vii. In respect of statutory dues:

(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

viii. According to the information and explanations given to us and representation given to us by the management, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

ix.

(a) According to the information and explanations given to us, the Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) In our opinion and according to the information and explanations given to us, the Company has not taken any short term loan. Hence reporting under clause 3(ix)(d) of the Order is not applicable.

(e) In our opinion and according to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x.

(a) During the year the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi.

(a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company, accordingly, clause 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with the companies (Indian Accounting Standards) Rules, 2015.Further, the Company is not required to constitute an Audit Committee Under section 177 of the Act, and Accordingly, to this extent, clause 3(xiii) of the Order is not applicable to the Company.

xiv. According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi.

a) To the best of our knowledge and according to the information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.

c) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) Based on the information and explanations given to us and as represented by the management of the Company, the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

xvii. The Company has incurred cash losses during the financial year covered by our audit is amounting to Rs. 21,331.

xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, reporting under clause 3(xviii) of the order is not applicable to the company.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans as explained in Note No. 4 of financial statement and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us, The Company does not fulfil the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Sd/-

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 23103418BGXVIO3122

Place: Mumbai
Date: 04/05/2023

Annexure B to Independent Auditor's Report – March 31, 2023 on the Financial Statements of Rayzone Property Services Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statement of Raymond Lifestyle Limited ('the Company') as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to this financial statement and their operating effectiveness. Our audit of internal financial controls with reference to these financial statement included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to these standalone financial statement, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to these financial statements to future periods are subject to the risk that the internal financial controls with reference to this financial statement may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2023, 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: 23103418BGXVIO3122

Place: Mumbai
Date: 04/05/2023

RAYZONE PROPERTY SERVICES LIMITED
(Incorporated on 11th November 2022)

BALANCE SHEET AS AT 31ST MARCH, 2023

	Particulars	Note No.	As at 31st March, 2023 (Rs.)
I	**ASSETS**		
1	**Non-current Assets**		
	(a) Property, Plant and Equipment	-	-
	(b) Financial Assets		
	(i) Investments	-	-
	(ii) Loans	-	-
2	**Current assets**		
	(a) Inventories	-	-
	(b) Financial Assets		
	(i) Investments	-	-
	(ii) Cash and cash equivalents	2	50,000
	(c) Other Current Assets	-	-
	TOTAL ASSETS		**50,000**
II	**EQUITY AND LIABILITIES**		
1	**Equity**		
	a) Equity share capital	3	50,000
	b) Other equity		
	(i) Reserves & Surplus	4	(21,331)
	(ii) Other Reserves (OCI)		-
2	**Liabilities**		
	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	-	-
	(ii) Trade Payables	5	-
	(a) Total Outstanding dues of Micro and Small enterprises		-
	(b) Total Outstanding dues of other than Micro and Small enterprises		11,331
	(b) Other Current Liabilities	8	10,000
	TOTAL LIABILITIES		**50,000**
	Significant Accounting Policies	1	

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

Sd/-
Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 4th May 2023

For Rayzone Property Services Limited

Sd/-
Sandeep Kumar Maheshwari
Director
DIN:08254851

Sd/-
Ashish Aggarwal
Director
DIN: 09231011

RAYZONE PROPERTY SERVICES LIMITED
(Incorporated on 11th November 2022)

Statement of Profit and Loss for the period ended 31st March, 2023

	Particulars	Note No.	Year ended 31st March, 2023
I	Revenue from operations		-
	Other income		-
	Total Income		-
II	**Expenses:**		
	Cost of materials consumed		
	Purchases of stock-in-trade		-
	Changes in inventories of finished goods, stock-in-trade, work-in-progress and property under development		-
	Employee benefits		-
	Finance costs		-
	Depreciation and amortisation		-
	Other expenses		
	(a) Cost towards development of property		-
	(b) Other expenses	6	21,331
	Total expenses		21,331
III	**Profit/(Loss) before tax (I - II)**		(21,331)
IV	**Tax expense**		
	Current tax		-
	Deferred tax charge/(credit)		
V	**Profit/ (Loss) after tax for the period (III - IV)**		(21,331)
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)**		(21,331)
VIII	**Earnings per equity share**		
	Basic		(4.27)
	Diluted		(4.27)

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

For Rayzone Property Services Limited

Sd/-
Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 4th May 2023

Sd/-
Sandeep Kumar Maheshwari
Director
DIN:08254851

Sd/-
Ashish Aggarwal
Director
DIN: 09231011

RAYZONE PROPERTY SERVICES LIMITED
(Incorporated on 11th November 2022)

Cash Flow Statement for the period ended 31st March, 2023

	Period ended 31st March, 2023 (Rs.)
CASH FLOW FROM OPERATING ACTIVITIES:	
Profit before exceptional items and tax	(21,331)
Adjustments for:	
Add/(Deduct):	-
Operating profit before working capital changes	
Adjustments for:	
Increase in trade and other receivables	-
Increase in inventories	-
Increase in other current assets	-
Increase in trade payables	11,331
Increase in other current liabilities	10,000
Cash used in operations before Exceptional items	-
Exceptional items (net)	-
Cash used in operations	-
Direct taxes paid (net of refunds)	-
Net cash used in operating activities - [A]	-
CASH FLOW FROM INVESTING ACTIVITIES:	
Proceeds from sale of investments	-
Purchase of property, plant and equipment/ intangible assets	-
Net cash (used in)/ generated from investing activities - [B]	-
CASH FLOW FROM FINANCING ACTIVITIES:	
Proceed from Issue of shares	50,000
Proceed from Inter Corporate Borrowings	-
Net cash generated from financing activities - [C]	50,000
Net increase in cash and cash equivalents - [A+B+C]	50,000
Add: Balance at the beginning	-
Cash/Cash Equivalent at the close of the period	50,000

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

For Rayzone Property Services Limited

Sd/-	Sd/-	Sd/-
Lalit R. Mhalsekar	**Sandeep Kumar Maheshwari**	**Ashish Aggarwal**
Partner	Director	Director
Membership No. 103418	DIN:08254851	DIN: 09231011
F. R. No. 101720W/ W100355		
Mumbai.		
Date : 4th May 2023		

RAYZONE PROPERTY SERVICES LIMITED
Note 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I. Background

Rayzone Property Services Limited having CIN U74999MH2022PLC393306 is incorporated on 11th November 2022. The Company is limited by Shares incoporated and domiciled in India and is primarily engaged in the business of providing Facility Management Services such as Housekeeping, Landscaping, Interior Plants, fabricating, catering, providing security services, improvement and maintenance of furniture, External Facade Cleaning, softwash, Valet Parking, Club house management, Pest Control, fitness centre, Scaffolding, undertaking contracts for administration of buildings, co-operative societies, trusts and to carry on business of maintenance and improvement of buildings, properties, housing and commercial societies, offices, belonging to all legal entities and to provide all the types of facilities management services

II. Significant Accounting Policies followed by the Company

(a) Basis of preparation

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules,2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities that are measured at fair value;
2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value;

(iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupee as per the requirement of Schedule III, unless otherwise stated.

(v) Comparative amounts

As the Company is incorporated during the year, there are no comparative amounts.

(vi) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

(b) Use of estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(d) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(e) Revenue recognition

Revenue from Real Estate property development is recognized over the period of time from the financial year in which Agreement to Sell is executed.

(f) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the discount rates for Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity and pension; and

(b) defined contribution plans such as provident fund etc.

Pension and gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Company. The interest payable by the Trust is notified by the Government. The Company has an obligation to make good the shortfall, if any.

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(g) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(h) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

III. Critical estimates and judgements -

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

RAYZONE PROPERTY SERVICES LIMITED
Statement of Changes in Equity for the period ended 31st March, 2023

Statement of other equity

Particulars	Reserves & Surplus
Balance as at date of Incorporation	-
Add : loss for the period	(21,331)
Balance as at 31.03.2023	(21,331)

Note 2 - Cash and cash equivalent

Particulars	As at 31st March, 2023 (Rs.)
Balances with Banks	
In current accounts	50,000
Total	50,000

Note 4 : Other Equity

Particulars	Reserves and Surplus
Balance as at 31.03.2022	-
Add : loss for the period	(21,331)
Balance as at 31.03.2023	(21,331)

Note 6 : Other Expenses

Particulars	As at 31st March, 2023
Form filing fees	11,331
Audit Fees	10,000
Total	21,331

RAYZONE PROPERTY SERVICES LIMITED
Notes to the financial statements for the period ended 31st March, 2023

Note 3 - Equity

(Amt in Rs.)

	As at 31st March , 2023	As at 31st March, 2022
Authorised		
10,000 Equity Shares of Rs.10 each	1,00,000	-
Issued		
5,000 Equity Shares of Rs.10 each	50,000	-
Subscribed and fully paid up		
5,000 Equity Shares of Rs.10 each	50,000	-
Total	50,000	-

a) **Reconciliation of number of shares**

(Amt in Rs.)

	As at 31st March , 2023		As at 31st March, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	-	-		
Add: Share Issued during the year	5,000	50,000	-	-
Add : Conversion of preference shares into equity share	-	-	-	-
Balance at the end of the year	5,000	50,000	-	-

Current Reporting Period- Year ended March 23

	As at 31st March , 2023	
	Number of shares	Amount
Equity Shares Capital :		
Balance as at the beginning of the current reporting year	-	-
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the period	-	-
Changes in equity share capital during the current year	5,000	50,000
Balance at the end of the period	5,000	50,000

Previous Reporting Period- Year ended March 22

	31st March, 2022	
	Number of shares	Amount
Equity Shares Capital:		
Balance as at the beginning of the current reporting year	-	-
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the period	-	-
Changes in equity share capital during the current year	-	-
Balance at the end of the period	-	-

b) **Rights, preferences and restrictions attached to shares**

Equity shares: The Company has only one class of equity share having a par value of Rs 10 per share. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on show of hands, every member present in person shall have one vote and on a poll,the voting rights of members shall be in proportion to his share in the paid up equity share capital of the company. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) **Shares held by Holding Company**

	As at 31st March , 2023	As at 31st March, 2022
Equity Shares of Rs. 10 each held by:		
5,000 Equity shares held by Raymond Lifestyle Limited (along with Nominees)	50,000	-

d) **Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

	As at 31st March , 2023		As at 31st March, 2022	
	%	No. of Shares	%	No. of Shares
Equity shares held by Raymond Lifestyle Limited (along with Nominees)	100	5,000	-	-

e) **Shares held by Promoter Company at the end of the year**

Sr No	Promoter Name	No. of Shares	% of Total Shares	% change during the year
1	RAYMOND LIFESTYLE LIMITED (along with Nominees)	5,000	100%	-
TOTAL		5,000	100%	

RAYZONE PROPERTY SERVICES LIMITED
Notes to the financial statements for the period ended 31st March, 2023

Note 5 - Trade Payables

Particulars	As at 31st March, 2023
Trade payables	
Amounts due to micro and small enterprise	-
Amounts due to related parties (Refer note 7)	11,331
Others	-
Total	11,331

Trade Payable ageing as at 31st March, 2023

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
Related Parties	-	11,331	-	-	-	11,331
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Net undisputed(b)	-	11,331	-	-	-	11,331
Total (a+b)	-	11,331	-	-	-	11,331

Note 7 - Transactions & closing outstanding with Realted Parties :

1. Relationship

a) Holding Company

Raymond Limited (Ultimate Holding company)

Raymond Lifestyle Limited

2. Transactions carried out with related parties referred in 1 above, in ordinary course of business:

Nature of Transactions	Referred in 1 (a) above
Payable	
Trade payables	
Raymond Limited	11,331
Issue of equity shares	
Issue of shares	
Raymond Lifestyle Limited	50,000

Related Party Disclosures as per Ind As-24

	31st March'23
Payable	
Holding Company	
Raymond Limited	11,331
Equity share capital	
Holding Company	
Raymond Lifestyle Limited	50,000

Note 8 - Other current liabilities

Particulars	As at 31st March, 2023
Statutory dues	-
Provision for expenses	10,000
Total	10,000

Note 9 - The ratios for the year ended March 31, 2023 are as follows :

		2022-23	Numerator	Denominator
1	Current Ratio(in times)	2.34	Current Assets	Current liabilities
2	Debt-equity Ratio(in times)	NA	Total debt = (Long term borrowings including current maturities + current borrowings)	Equity = Issued Share capital + other equity
3	Debt-Service Coverage Ratio(in times)	NA	Earnings available for debt service = Profit before tax - gain on disposal of discontinued operation + finance costs + Depreciation & amortisation expesnes	Debt service = Interest + Principal repayments
4	Return on equity Ratio(in%)	-74%	Net profit after taxes	Average total equity
5	Inventory Turnover Ratio(in times)	NA	Cost of Goods Sold	Average Inventory
6	Trade Receivable Turnover Ratio(in times)	NA	Revenue from Sale of Products & Services	Average trade receivables
7	Trade Payable Turnover Ratio(in times)	NA	Net purchases of goods = Purchase of Raw materials included in cost of raw material consumed + purchase of stock in trade	Average Trade payables
8	Net Capital Turnover Ratio(in%)	NA	Revenue from operations	Working capital = Current Assets - Current Liabilities
9	Net Profit Ratio (in%)	NA	Net profit after tax	Revenue from operations
10	Return on Capital Employed Ratio(in%)	-74%	Earnings before interest & taxes (including other income)	Capital Employed = Average total equity + Average total debt
11	Return on Investment(in%)	NA	Income generated from invested funds	Current investment + Non current investments + other bank balances

Note 10 - Contingent liability

a. Foreseeable Losses :

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/applicable accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

b. Pending litigations :

The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

Note 11 - Other Statutory information

a. Details of Benami Property held :

The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

b. Relationship with Struck Off companies :

The Company do not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

c. Wilful defaulter :

The company does not have any borrowings from banks and financial institutions or other lender (as defined under the Companies Act, 2013)or consortium thereof. In accordance with the guidelines on wilful defaulters issued by Reserve Bank of India. Accordingly, this clause is not applicable.

d. Registration of charges or Satisfaction with Registrar of companies

The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

e. Details of Crypto Currency or Virtual Currency

The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

f. The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g. Undisclosed Income

The Company has not executed any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

h. Borrowings obtained on the basis of Security of Current Assets

During the year, the company has not borrowed any funds and this clause is not applicable

i. Utilisation of Borrowed funds and Share premium

During the year, the company has not borrowed any funds and this clause is not applicable

j. Revalution of Property, Plant and Equipment and Intangible assets

The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year

k. Compliance with number of layers of companies

The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017

RAYZONE PROPERTY SERVICES LIMITED
Notes to the financial statements for the period ended 31st March, 2023

Note : 12 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.

(Amt in Rs.)

Financial Assets and Liabilities as at 31st March'2023				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													
Cash and Cash equivalents	-	50,000	50,000	-	-	-	-	-	-	-	-	50,000	50,000
	-	50,000	50,000	-	-	-	-	-	-	-	-	50,000	50,000
Financial Liabilities													
Trade Payables	-	11,331	11,331	-	-	-	-	-	-	-	-	11,331	11,331
	-	11,331	11,331	-	-	-	-	-	-	-	-	11,331	11,331

(Amt in Rs.)

Financial Assets and Liabilities as at 31st March'2022				Routed through P & L				Routed through OCI				Carrying at amortised cost	Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets													
Other Assets													
Cash and Cash equivalents	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial Liabilities													
Trade Payables		-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-

* 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, 2023		As at 31st March, 2022	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Cash and Cash equivalents	50,000	50,000	-	-
	50,000	50,000	-	-
Financial Liabilities				
Trade Payables	11,331	11,331	-	-
	-	-	-	-
	11,331	11,331	-	-

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.

RAYZONE PROPERTY SERVICES LIMITED
Notes to the financial statements for the period ended 31st March, 2023

13 Financial risk management objectives and policies

There are no borrowings as on 31st March 2023. Also, the company has not entered into any derivative transations as on date. Accordingly interest rate risk, liquidity risk and risk of unhedged foreign currency exposures are not applicable for the period under consideration.

14 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.

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

Sd/-
Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 4th May 2023

For Rayzone Property Services Limited

Sd/-
Sandeep Kumar Maheshwari
Director
DIN:08254851

Sd/-
Ashish Aggarwal
Director
DIN: 09231011

SCISSORS ENGINEERING PRODUCTS LIMITED

ANNUAL REPORT 2022-23

BOARD OF DIRECTORS	:	SHRI VIJAY PATIL SHRI M. L. BAPNA (Appointed as Additional Director on September 06, 2022) SHRI PRAVIN MOHIRE (Appointed as Additional Director on September 06, 2022)
MANAGER	:	SHRI KAMLAKAR TAK
CHIEF FINANCIAL OFFICER	:	SHRI ARUN AGARWAL
COMPANY SECRETARY	:	SHRI AKSHAT CHECHANI
STATUTORY AUDITORS	:	MESSRS. PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP
REGISTERED OFFICE	:	NEW HIND HOUSE, NAROTTAM MORARJI MARG, BALLARD ESTATE, MUMBAI – 400 001 MAHARASHTRA.

SCISSORS ENGINEERING PRODUCTS LIMITED
(CIN: U29130MH2005PLC154732)
DIRECTORS' REPORT

To,
The Members of
SCISSORS ENGINEERING PRODUCTS LIMITED
The 'Company'

Your Directors present their Eighteenth Annual Report together with the Audited Financial Statements for the year ended March 31, 2023.

1. FINANCIAL HIGHLIGHTS / OPERATIONAL PERFORMANCE

The total revenue of the Company for the Financial Year 2022-23 was Rs. Nil (Previous Year: Nil). During the year under review, your Company has registered a loss of Rs. 0.07 crore (Previous Year: Profit of Rs. 64.22 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 2022-23.

4. RESERVES

Your Company has not transferred any amount to the General Reserves of the Company.

5. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company does not have any subsidiaries, associates and joint venture companies.

6. STATUTORY AUDITORS

M/s Price Waterhouse Chartered Accountants LLP (ICAI Firm Registration Number 012754N/N500016) were the statutory auditors of the Company for the year ended March 31, 2023. Their appointment as statutory auditor to hold office is valid from the conclusion of the 17th Annual General Meeting of the Company till the conclusion of the 22nd Annual General Meeting of the Company.

There is no audit qualification in the financial statements by the statutory auditors for 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 Authorized and Paid-up Equity Share Capital of the Company.

Preference Shares
During the year under review, there has been no change in the Authorized and Paid-up Preference Share Capital.

9. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 during the year under review.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

No Loans, Guarantees and Investments under the provisions of Section 186 of the Companies Act, 2013 have been accepted, given or made by the Company.

11. DIRECTORS

a. Changes in Directors and Key Managerial Personnel

During the year under review, Shri Mithu Lal Bapna and Shri Pravin Mohire have been appointed as Additional Directors with effect from September 06, 2022. Their appointment as Director is proposed to be confirmed at the ensuing Annual General Meeting of the Company.

Shri Srinivasan Ganapathy and Shri Thomas Fernandes resigned as Directors of the Company with effect from September 06, 2022.

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 offers himself for re-appointment.

During the year, following Board Meetings were held:

Sr. No.	DATE OF BOARD MEETINGS	Name of Directors				
		Shri Thomas Fernandes	Shri Srinivasan Ganapathy	Shri Vijay Patil	Shri Mithu Lal Bapna	Shri Pravin Mohire
1.	**13.05.2022**	✓	✓	✓	-	-
2.	**16.06.2022**	✓	✓	✓	-	-
3.	**04.08.2022**	✓	✓	✓	-	-
4.	**06.09.2022**	✓	✓	✓	-	-
5.	**23.09.2022**	-	-	✓	✓	✓
6.	**28.10.2022**	-	-	✓	✓	✓
7.	**30.01.2023**	-	-	✓	✓	✓

b. Key Managerial Personnel (KMP):

During the year under review, Mr. Kamlakar Tak has been re-appointed as Manager of the Company till July 20, 2025.

Mr. Jaydip Dhar resigned as the Company Secretary of the Company with effect from March 31, 2022. Mr. Akshat Chechani was appointed as the Company Secretary of the Company with effect from September 23, 2022.

Further, Shri Sitesh Maheshwari resigned as CFO with effect from January 30, 2023. Shri Arun Agarwal has been appointed as CFO with effect from May 02, 2023.

As on 31st March, 2023, your Company has the following KMPs:

Sr. No.	Name of the Person	Designation
1	Shri Kamlakar Tak	Manager
2	Shri Arun Agarwal	Chief Financial Officer
3	Shri Akshat Chechani	Company Secretary

12. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

13. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Board under Section 143(12) of Act and Rules framed thereunder.

14. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year under review were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

15. RISK MANAGEMENT

As your Company has not undertaken any business, hence this disclosure is not required during the year under review.

16. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

i. that in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
ii. that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the loss of the Company for the year ended on that date;
iii. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv. that the directors have prepared the annual accounts on a going concern basis; and
v. that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company had no manufacturing activities during the period under review, the details as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings and outgo is not applicable to the Company.

18. ANNUAL RETURN

As per Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and relevant Rules, as amended from time to time, every company is required to place a copy of the annual return on the website of the Company, if any, and the web-link of such annual return shall be disclosed in the Board's report. Since the Company does not have a website, such provisions shall not be applicable to the Company.

19. PARTICULARS OF EMPLOYEES

Since the Company is not a listed company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company for the year ended March 31, 2022 is not applicable.

20. DISCLOSURE UNDER SEXUAL HARASSMENT ACT

Since the Company does not have any employees on its payroll, this disclosure under the above act is not applicable.

21. ACKNOWLEDGEMENT

The Board records its appreciations for the co-operation, support and valuable guidance received from Banks, Central and State Government Authorities.

For and on behalf of the Board
SCISSORS ENGINEERING PRODUCTS LIMITED

	Sd/-	**Sd/-**
	Vijay Patil	**Pravin Mohire**
Place: Thane	**Director**	**Director**
Date: May 02, 2023	**DIN: 07173161**	**DIN: 07523109**

Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report

To the Members of Scissors Engineering Products Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Scissors Engineering Products Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, 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 Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director's report, but does not include the financial statements and our auditor's report thereon.
   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

8. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

10. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

11. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations on its financial position in its financial statements.

ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2023.

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, 2023.

iv. (a) The management has represented that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 20 to the financial statements);

(b) The management has represented that, to the best of its knowledge and belief no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 20 to the financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

12. The Company has not paid/ provided for managerial remuneration during the year. Accordingly, the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-
Arunkumar Ramdas
Partner
Membership Number 112433
UDIN: 23112433BGYMLR4397

Mumbai
Date: May 02, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 11(f) of the Independent Auditor's Report of even date to the members of Scissors Engineering Products Limited on the financial statements for the year ended March 31, 2023

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, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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Annexure A to Independent Auditor’s Report

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-
Arunkumar Ramdas
Partner
Membership Number 112433
UDIN : 23112433BGYMLR4397

Mumbai
Date: May 02, 2023

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Scissors Engineering Products Limited on the financial statements as of and for the year ended March 31, 2023

i. (a) The Company did not have any property, plant and equipment and Intangible assets at any time during the year. Accordingly, reporting under Clause 3(i)(a) is not applicable to the Company.

(b) The Company did not have any property, plant and equipment at any time during the year. Accordingly, reporting under Clause 3(i)(b) is not applicable to the Company.

(c) According to the information and explanations given to us and the records of the Company examined by us, the Company does not own any immovable properties. Therefore, the provisions of clause 3(i)(c) of the Order are not applicable to the Company.

(d) The Company did not have any property, plant and equipment and Intangible assets at any time during the year. Accordingly, reporting under Clause 3(i)(d) is not applicable to the Company.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

ii. (a) The Company does not hold any inventory. Therefore, the provisions of clause 3(ii)(a) of the Order are not applicable to the Company.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185. Accordingly, provision of Section 185 and 186 are not applicable to the Company to that extent. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 in respect of investments made.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in 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.

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vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, income tax and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short term basis.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has not entered into transactions with related parties during the year. Accordingly, the reporting under clause 3(xiii) of the Order is not applicable to the Company.

xiv. The Company is not mandated to have an internal audit system during the year.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has incurred cash losses of Rs. 6.97 lakhs in the financial year and had not incurred cash losses in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 22 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-
Arunkumar Ramdas
Partner
Membership Number 112433
UDIN : 23112433BGYMLR4397

Mumbai
Date: May 02, 2023

SCISSORS ENGINEERING PRODUCTS LIMITED
Balance Sheet as at March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

	Particulars	Note	As at March 31, 2023	As at March 31, 2022
I	**ASSETS**			
	Financial Assets			
	Other Financial Assets	2	1.34	1.34
	Non - current Tax assets	3	0.08	6.42
	Total Non-Current Assets		**1.42**	**7.76**
2	**Current assets**			
	Financial Assets			
	(i) Current Investment	4	0.05	0.05
	(ii) Cash and cash equivalents	5	2.09	19.41
	(iii) Bank Balances Other Than Cash and cash equivalents above	6	15.00	0.06
	(iv) Other financial asset	7	0.68	-
	Total Current Assets		**17.82**	**19.52**
	TOTAL ASSETS		**19.24**	**27.28**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	Share Capital	8A	1,813.14	1,813.14
	Other Equity	8B	(1,794.99)	(1,788.02)
	Total Equity		**18.15**	**25.12**
2	**Liabilities**			
	Current liabilities			
	(a) Financial Liabilities			
	Trade Payable	9		
	(i) Total outstanding dues of micro and small enterprises		-	-
	(ii) Total outstanding dues other than (i)		0.97	2.05
	(b) Other current liabilities	10	0.12	0.11
	Total Current Liabilities		**1.09**	**2.16**
	TOTAL EQUITY AND LIABILITIES		**19.24**	**27.28**
Significant Accounting Policies		**1**		
The accompanying notes are an integral part of these financial statements		**2 to 24**		

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Sd/-
Arunkumar Ramdas
Partner
Membership No. 112433

Place: Mumbai
Date: May 2, 2023

For and on behalf of the Board

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Pravin Mohire
Director
DIN: 07523109

Sd/-
Arun Agarwal
Chief Financial Officer

Sd/-
Akshat Chechani
Company Secretary

SCISSORS ENGINEERING PRODUCTS LIMITED
Statement of Profit and Loss for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

	Particulars	Note	For the Year ended March 31, 2023	For the Year ended March 31, 2022
I	**Revenue from Operations**		-	-
II	**Other Income**	11	**0.80**	**6,425.00**
III	**Total Income**		**0.80**	**6,425.00**
IV	**Expenses**			
	Other expenses	12	2.41	3.34
	Total expenses		**2.41**	**3.34**
V	**Profit/(Loss) before tax**		**(1.61)**	**6,421.66**
VI	**Tax expense**			
	Tax in respect of earlier years		5.36	-
VII	**Profit/(Loss) for the Year**		**(6.97)**	**6,421.66**
VIII	**Other Comprehensive Income**		-	-
IX	**Other Comprehensive Income for the year**		-	-
X	**Total Comprehensive Income for the year**		**(6.97)**	**6,421.66**
XI	**Earnings per equity share of Rs. 10 each :**			
	Basic & Diluted	13	(0.04)	35.42
	Sigificant Accounting Poilicies	**1**		
	The accompanying notes are an integral part of these financial	**2 to 24**		

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Sd/-
Arunkumar Ramdas
Partner
Membership No. 112433

Place: Mumbai
Date: May 2, 2023

For and on behalf of the Board

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Pravin Mohire
Director
DIN: 07523109

Sd/-
Arun Agarwal
Chief Financial Officer

Sd/-
Akshat Chechani
Company Secretary

SCISSORS ENGINEERING PRODUCTS LIMITED
Statement of Cash Flow for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Particulars	For the Year ended March 31, 2023		For the Year ended March 31, 2022	
A. Cash Flow from Operating Activities				
Profit/(Loss) before tax		(1.61)		6,421.66
Adjustments for :				
Interest Income		(0.80)		-
Dividend Income		-		(6,425.00)
Operating Loss Before Working Capital Changes		(2.41)		(3.34)
Adjustment for :				
Decrease/(Increase) in Trade and other receivable	0.06		(0.06)	
(Decrease)/Increase in Trade and Other Payables	(1.07)		1.38	
		(1.01)		1.32
Cash used in Operations		(3.42)		(2.02)
Add / (Deduct): Taxes Paid/(refund) received (Net)		0.98		(6.42)
Net Cash Outflow from Operating Activities		**(2.44)**		**(8.44)**
B. Cash Flow from Investing Activities				
Dividend Received		-		6,425.00
Fixed Deposits placed		(15.00)		-
Interest received		0.12		-
Net Cash (Outflow)/Inflow from Investing Activities		**(14.88)**		**6,425.00**
C. Cash Flow from Financing Activities				
Dividend Paid		-		(6,400.37)
Net Cash Outflow from Financing Activities		**-**		**(6,400.37)**
Net (decrease)/increase in Cash and Cash Equivalents (A+B+C)		(17.32)		16.19
Add: Cash and Cash Equivalents at the beginning of the financial Year		19.41		3.22
Cash and Cash Equivalents as at the end of the Year		**2.09**		**19.41**

Reconcilation of Cash and Cash Equivalents as per Statement of Cash Flow	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Cash and Cash Equivalent (Refer Note 4)	2.09	19.41
Balance as per Statement of Cash Flows	2.09	19.41
Significant Accounting Policies	**1**	
The accompanying notes are an integral part of these financial statements	**2 to 24**	

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 the Board

Sd/-
Arunkumar Ramdas
Partner
Membership No. 112433

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Pravin Mohire
Director
DIN: 07523109

Place: Mumbai
Date: May 2, 2023

Sd/-
Arun Agarwal
Chief Financial Officer

Sd/-
Akshat Chechani
Company Secretary

SCISSORS ENGINEERING PRODUCTS LIMITED
Statement of Changes in Equity as at March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

A. EQUITY SHARE CAPITAL :

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	7A	1,813.14	1,813.14
Add: Shares issued during the year		-	-
Balance as at the end of the year		**1,813.14**	**1,813.14**

B. OTHER EQUITY :

Particulars	Note	Reserves and Surplus			Total
		Capital Reserve	Securities Premium	Retained Earnings	
Balance as at March 31, 2021	7B	**-**	**1,070.98**	**(42.25)**	**1,028.73**
Profit for the year		-	-	6,421.66	6,421.66
Other Comprehensive Income for the year		-	-	-	-
Total Comprehensive Income for the year		-	-	6,421.66	6,421.66
Dividend Paid				(6,400.37)	(6,400.37)
Addition during the year		(2,838.04)	-	-	(2,838.04)
Balance as at March 31, 2022		**(2,838.04)**	**1,070.98**	**(20.96)**	**(1,788.02)**
Loss for the year		-	-	(6.97)	(6.97)
Other Comprehensive Income for the year		-	-	-	-
Total Comprehensive Income for the year		-	-	(6.97)	(6.97)
Balance as at March 31, 2023		**(2,838.04)**	**1,070.98**	**(27.93)**	**(1,794.99)**
Significant Accounting Policies	1				
The accompanying notes are an integral part of these financial statements	2 to 24				

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

For and on behalf of the Board

Sd/-
Arunkumar Ramdas
Partner
Membership No. 112433

Sd/-
Vijay Patil
Director
DIN: 07173161

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Director
DIN: 07523109

Place: Mumbai
Date: May 2, 2023

Sd/-
Arun Agarwal
Chief Financial Officer

Sd/-
Akshat Chechani
Company Secretary

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

I. Background

The Company is incorporated in India having registered office at Mumbai and Corporate identification Number-U29130MH2005PLC154732.

II. Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS

These financial statements comply in all material aspects with the Indian Accounting Standards notified under section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act. The accounting ploicies 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.

(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 Companies Act, 2013.

(iv) Current non-current classification

There are no critical estimates involved in the preparation of financial statements.

(v) Rounding of amounts

All amounts disclosed in financial statements and notes are rounded off to nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date. There are no critical estimates involved in the preparation of financial statements.

(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.

(d) Trade Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(e) Investments and other financial assets

(i) Classification

The company classifies its financial assets 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 (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs
that are directly attributable to the acquisition of the financial asset. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(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. For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Note 15 details how the Company determines whether there has been a significant increase in credit risk.

(iv) Derecognition of financial assets

A financial asset is derecognised only when:
• the Company has transferred the rights to receive cash flows from the financial asset or
• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.
Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.
Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(f) 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. 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
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
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

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.

(g) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in the Financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the Financial statement unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

(h) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(i) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company

- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

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.

• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(j) Contributed Equity

Equity shares are classified as equity.

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

2 Other Financial Assets

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Security Deposit - Unsecured	1.34	1.34
Total	**1.34**	**1.34**

Break-up of Security details :

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
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**

3 Non - current Tax assets

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Non Current tax assets	0.08	6.42
Total	**0.08**	**6.42**

4 Current Investment

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Unquoted		
Equity Instrument at Cost		
Ring Plus Aqua Limited (Refer Note 23)		
120 (Previous Year Nil) Equity Shares of Rs.10 each fully paid (Refer Note 8)	0.05	0.05
Total	**0.05**	**0.05**
Aggregate amount of unquoted investments	**0.05**	**0.05**

5 Cash and cash equivalents

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Cash and Cash Equivalents		
Cash on hand	0.01	0.01
Balances with Banks - Current Accounts	2.08	19.40
Total	**2.09**	**19.41**

6 Bank balances other than cash and cash equivalent above

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Deposits with maturity more than three months but less than twelve months	15.00	-
Balance in Dividend Account	*	0.06
Total	**15.00**	**0.06**

*Amount is below the rounding off norms adopted by the Company.

7 Other Current Financial Assets

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Interest Accured on Fixed Deposit	0.68	-
Total	**0.68**	**-**

(All amounts are in Rs. Lakhs, unless stated otherwise)

8A

a) Share capital

PARTICULARS	As at March 31, 2023	As at March 31, 2022
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, Subscribed and fully paid up		
1,81,31,365 (P.Y.: 1,81,31,365) Equity Shares of Rs.10 each	1,813.14	1,813.14

b) Reconciliation of number of shares

PARTICULARS	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	18,131,365	1,813.14	18,131,365	1,813.14
Add: Issue of Rights Share	-	-	-	-
Balance as at the end of the year	**18,131,365**	**1,813.14**	**18,131,365**	**1,813.14**

c) Shares held by holding company

PARTICULARS	As at March 31, 2023	As at March 31, 2022
JK Files and Engineering Limited	18,131,365	18,131,365

d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

NAME OF SHAREHOLDERS	As at March 31, 2023		As at March 31, 2022	
	% of Holding	Number of shares	% of Holding	Number of shares
Equity Shares :				
JK Files and Engineering Limited	100.00%	18,131,365	100.00%	18,131,365

e) Rights, Preferences and Restrictions attached to each class of shares:-

Equity shares: The Company has one class of equity shares having a par value of Re. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Preference Shares :

Each shareholder of Cumulative Compulsory Convertible Preference (CCPS) is entitled to one vote per share only on resolutions placed before the Company which directly affect their rights attached to CCPS. The dividend proposed by the Board of Directors is subject to the approval of shareholders. The Company has an option to redeem the said shares at par. In the event of liquidation of the Company, the holders of CCPS will have priority over equity shares in payment of dividend and repayment of capital.

(All amounts are in Rs. Lakhs, unless stated otherwise)

f) Shareholding of Promoter :

Promoters		As at March 31, 2023	As at March 31, 2022
JK Files & Engineering Limited	Number of Shares	18,131,365	18,131,365
	% of Total Holding	100.00%	100.00%
	% Change during the year	0.00%	100.00%

8B Other Equity

Particulars	Reserves and Surplus			Total
	Capital Reserve	Securities Premium	Retained Earnings	
Balance as at March 31, 2021	**-**	**1,070.98**	**(42.25)**	**1,028.73**
Profit for the year	-	-	6,421.66	6,421.66
Other Comprehensive Income for the year	-	-	-	-
Total Comprehensive Income for the year			6,421.66	6,421.66
Dividend Paid	-	-	(6,400.37)	(6,400.37)
Addition during the year	(2,838.04)	-	-	(2,838.04)
Balance as at March 31, 2022	**(2,838.04)**	**1,070.98**	**(20.96)**	**(1,788.02)**
Profit for the year	-	-	(6.97)	(6.97)
Other Comprehensive Income for the year	-	-	-	-
Total Comprehensive Income for the year	-	-	(6.97)	(6.97)
Balance as at March 31, 2023	**(2,838.04)**	**1,070.98**	**(27.93)**	**(1,794.99)**

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.

Capital Reserve :

Capital reserve is created on account of transfer of investment in subsidiary for consideration other than cash.

(All amounts are in Rs. Lakhs, unless stated otherwise)

9 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables :		
Micro and Small enterprises	-	-
Others	0.97	2.05
Total	**0.97**	**2.05**

Trade Payables Ageing :

Particularls	Unbilled dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	More than 1 year upto 2 years	More than 2 year upto 3 years	More than 3 years	
As at March 31, 2023	0.97	-	-	-	-	-	0.97
As at March 31, 2022	1.19	-	0.86	-	-	-	2.05

There are no disputed Trade Payables.

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 are as follows :

	As at March 31, 2023	As at March 31, 2022
Principal amount due to suppliers registered under MSME Act and remaining unpaid as at year end	-	-
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	-	-
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 remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of deductible expenditure under section 23 of the MSMED Act	-	-

10 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Dues	0.12	0.11
Total	**0.12**	**0.11**

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

11 Other Income

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest Income	0.76	-
Interest on Income Tax Refund	0.04	-
Dividend income		
From subsidiary	-	6,425.00
Total	**0.80**	**6,425.00**

12 Other expenses

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Legal and Professional Expenses*	2.41	3.34
Total	**2.41**	**3.34**

*** Includes Auditors' remuneration and expenses (including taxes)**

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
- Audit Fees	1.18	0.94
- Limited Review Fees	-	0.24
Total	**1.18**	**1.18**

13 Earnings per share

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Profit/(Loss) for the year	(6.97)	6,421.66
Weighted average number of equity shares outstanding (Face value of Rs. 10 per share)	18,131,365	18,131,365
Earnings Per Share (Rs.) - Basic & Diluted	(0.04)	35.42

14 Segment Information

The Company operates in a single business segment . Accordingly there are no reportable operating segments as prescribed under Ind As 108 “Operating Segments”. Also, the Company has no operations and thus, entity wide disclosures are not applicable.

15 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.

16 Financial Risk Management

a) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company.

The Company is exposed to credit risk from its operating activities cash and cash equivalents and security deposits. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalent, other bank balances and Fixed Deposits

Credit risk related to cash and cash equivalents is managed by accepting highly rated banks and financial institutions. Management does not expect any losses from non-performance by these counterparties.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes security deposits. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. The expected credit loss on these financial instruments is expected to be insignificant.

b) 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 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.

Maturity patterns of Other Financial Liabilities

Trade Payables	0-3 months	3-6 months	6-12 months	beyond 12 months	Total
As at March 31, 2023	0.97	-	-	-	0.97
As at March 31, 2022	2.05	-	-	-	2.05

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.

17 Capital Management

a) Risk Management

The Company has no debts and thus Company does not foresee any capital risk.

b) Dividend

The Company has not declared and paid any dividend during the year (P.Y. Rs. 35.30 per share (face value Rs. 10 per share) Rs. 6,400.37 lakhs).

18 Contingent liabilities and Capital and other commitment (to the extent not provided for)

Particulars	As at March 31, 2023	As at March 31, 2022
Contingent Liabilities	-	-
Capital and other commitment	-	-

19 Related parties disclosure as per Ind AS 24

A. Relationship

i Related parties where control exists :

a. Ultimate Holding Company : Raymond Limited

b. Holding Company : JK Files & Engineering Limited (w.e.f. November 11, 2021)
Raymond Limited (upto November 10, 2021)

ii Other related parties with whom transactions have taken place during the period:

Subsidiary Company : Ring Plus Aqua Ltd. (upto November 10, 2021)

Fellow Subsidiary Company : Ring Plus Aqua Ltd. (w.e.f. November 11, 2021)

iii Other related parties :

Key Management Personnel :

- Mithulal Bapna – Director
- Pravin Mohire – Director (w.e.f. September 06, 2022)
- Srinivasan Ganapathy – Director (upto September 06, 2022)
- Vijay Patil – Director

(All amounts are in Rs. Lakhs, unless stated otherwise)

B. Transactions carried out during the year with related parties referred in A above:

Particulars	Ring Plus Aqua Limited	Raymond Limited	JK Files & Engineering Limited
Other Income : (Refer Note 11)			
Receipt of Dividend	- *(6,425.00)*	- *(-)*	- *(-)*
Investment :			
Sale of Investment (refer note 23)	- *(-)*	- *(-)*	- *(2838.04)*
Finance : (Refer Note 8b)			
Issue of Dividend	- *(-)*	- *(6,400.37)*	- *(-)*

(Previous year figures are shown in brackets)
There are no outstanding balances payable/receivable from related parties.

20 Additional regulatory information required by Schedule III :

(i) Details of benami property held
No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
(ii) Wilful defaulter
The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
(iii) Relationship with struck off companies
The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
(iv) Compliance with number of layers of companies
The Company has complied with the number of layers prescribed under the Companies Act, 2013.
(v) Compliance with approved scheme(s) of arrangements
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
(vi) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(vii) Undisclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
(viii) Details of crypto currency or virtual currency
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(All amounts are in Rs. Lakhs, unless stated otherwise)

21 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, other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Assets and Liabilities as at March 31, 2023

Particulars				Routed through P & L				Routed through OCI	Carrying at amortised cost	Total
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total			
Financial Assets										
Security Deposits	1.34	-	1.34	-	-	1.34	1.34	-	-	1.34
Investment		0.05	0.05	-	-	0.05	0.05	-	0.05	0.05
Cash and cash equivalents	-	2.09	2.09	-	-	-	-	-	2.09	2.09
Bank Balances Other Than (ii) above	-	15.00	15.00	-	-	-	-	-	15.00	15.00
Other financial asset	-	0.68	0.68	-	-	-	-	-	0.68	0.68
	1.34	**17.82**	**19.16**	**-**	**-**	**1.39**	**1.39**	**-**	**17.82**	**19.16**
Financial Liabilities										
Trade Payables	-	0.97	0.97	-	-	-	-	-	0.97	0.97
	-	**0.97**	**0.97**	**-**	**-**	**-**	**-**	**-**	**0.97**	**0.97**

Financial Assets and Liabilities as at March 31, 2022

Particulars				Routed through P & L				Routed through OCI	Carrying at amortised cost	Total
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total			
Financial Assets										
Security Deposits	1.34	-	1.34	-	-	1.34	1.34	-	-	1.34
Investment		0.05	0.05	-	-	0.05	0.05	-	0.05	0.05
Cash and cash equivalents	-	19.41	19.41	-	-	-	-	-	19.41	19.41
Bank Balances Other Than (ii) above	-	0.06	0.06	-	-	-	-	-	0.06	0.06
	1.34	**19.52**	**20.86**	**-**	**-**	**1.39**	**1.39**	**-**	**19.52**	**20.86**
Financial Liabilities										
Trade Payables	-	2.05	2.05	-	-	-	-	-	2.05	2.05
	-	**2.05**	**2.05**	**-**	**-**	**-**	**-**	**-**	**2.05**	**2.05**

SCISSORS ENGINEERING PRODUCTS LIMITED
Notes to the Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

22 Ratios :

Sr. No.	Ratios	Unit of measurement	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance March 31, 2022 vs March 31, 2021
1	Current Ratio	in times	Current Asset	Current Liabilities	16.36	9.04	81%
2	Return on Equity Ratio	in percentages	Profit/(Loss) after tax	Average Total Equity	(32%)	448%	(107%)
3	Trade payables turnover ratio	in times	Other Expenses	Average Trade Payables	160%	241%	(34%)
4	Return on Capital employed	in percentages	Profit/(Loss) before tax	Total Equity	(9%)	25564%	(100%)
5	Return on investment	in percentages	Profit/(loss) before interest and Tax	Average total Assets	(7%)	448%	(102%)

Reasons for variance of more than 25% in above ratios :

1	Current Ratio	: Variatio is due to reduction in trade payables.
2	Return on Equity Ratio	: Variation is due to Dividend Income in previous year which is not there in current year.
3	Trade payables turnover ratio	: Variation is due to decrease in Other Expenses in current year.
4	Return on Capital employed	: Variation is due to Dividend Income in previous year which is not there in current year.
5	Return on investment	: Variation is due to Dividend Income in previous year which is not there in current year.

23 On October 31, 2021, Raymond Limited, the holding company, transferred by way of delivery, 100% equity share capital of the Company to JK Files & Engineering Limited at Nil consideration. Accordingly, effective October 31, 2021, the Company has become a wholly owned subsidiary of JK Files & Engineering Limited.

Subsequently, the Company transferred, by way of delivery, 89.07% of equity share capital of Ring Plus Aqua Limited ('RPAL'), the then subsidiary of the Company, at Nil consideration to JK Files & Engineering Limited. Accordingly, effective November 11, 2021, RPAL has become a direct subsidiary of JK Files & Engineering Limited.

The Company was holding 120 equity shares of Ring Plus Aqua Limited of Rs. 10/- each fully paid, held jointly with its nominees. Since these shares were being held on behalf of JK Files & Engineering Limited, these were being shown at cost in the financial statements. Subsequent to year end, these shares have been transferred to JK Files & Engineering Limited.

24 The Company has approved its financial statements in its Board Meeting dated May 2, 2023.

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/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Pravin Mohire
Director
DIN: 07523109

Sd/-
Arun Agarwal
Chief Financial Officer

Sd/-
Akshat Chechani
Company Secretary

Place: Mumbai
Date: May 2, 2023

SILVER SPARK APPAREL LIMITED

ANNUAL REPORT 2022-23

BOARD OF DIRECTORS	:	SHRI KRISHNAN ASHWATH NARAYAN SMT. RASHMI MUNDADA SHRI VISHAL BIST SHRI AMIT SRIVASTAVA (appointed w.e.f. March 2, 2023) SHRI MANISH BHARATI (appointed w.e.f. March 2, 2023) SHRI HARISHKUMAR CHATTERJEE (resigned w.e.f. close of business hours of March 2, 2023)
SECRETARIAL AUDITOR	:	DM & ASSOCIATES COMPANY SECRETARIES LLP
STATUTORY AUDITORS	:	MESSRS. CHATURVEDI AND SHAH LLP, CHARTERED ACCOUNTANTS
INTERNAL AUDITORS	:	MESSERS. ERNST & YOUNG LLP, CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	NEW HIND HOUSE, N. M. MARG, BALLARD ESTATE, MUMBAI – 400 001 MAHARASHTRA

SILVER SPARK APPAREL LIMITED
(CIN: U72900MH2000PLC127831)

DIRECTORS' REPORT

To,
The Members
Silver Spark Apparel Limited

Your Directors have pleasure in presenting their Twenty Third Annual Report on the Business and Operations of the Company and the accounts for the Financial Year ended March 31, 2023.

1. FINANCIAL SUMMARY / PERFORMANCE OF THE COMPANY

The Company has continued to retain reputed overseas clientele for suits, jackets and trousers and has maintained a strong export order book contributing towards a strong sales growth performance in the Financial Year 2022-23. The revenue from operations of the Company at Standalone level is Rs. 773.90 Crore (Previous Year: Rs. 496.69 Crore). The profit of the Company for year under review stood at Rs. 23.78 Crore (Previous Year: Profit of Rs. 1.59 Crore). On a Consolidated level, the revenue from operations of the Company stood at Rs. 932.66 Crore (Previous Year: Rs. 624.05 Crore). The Profit after tax was Rs.42.76 Crore (Previous year Loss of Rs. 17.88 Crore) for the year under review.

2. DIVIDEND

In order to conserve resources, your Directors have not recommended any dividend for the FY 2022-23.

3. RESERVES

Your Company has not transferred any amount to the General Reserves of the Company.

4. SUBSIDIARY COMPANIES

Silver Spark Middle East FZE ('SSME')

This wholly-owned subsidiary of the Company is incorporated in Sharjah Airport Free Zone (SAIFZONE), Sharjah, U.A.E. SSME is engaged in investment, trading of Apparel and related products for Asia and US customers. The Gross Revenue of SSME for FY 2022-23 stood at Rs. 187.84 Crore (Previous Year: Rs. 119.46 crore). SSME registered a Profit of Rs. 8.95 crore (Previous Year: Profit Rs. 2.71 crore).

Silver Spark Apparel Ethiopia PLC ('SSAE')

SSAE is based out of Ethiopia in Africa and is a wholly owned subsidiary of Silver Spark Middle East FZE. SSAE is engaged in the manufacturing of formal suits, jackets, trousers and vest coats. The Gross Revenue of SSAE for FY 2022-23 stood at Rs.55.09 crore (Previous Year: Rs. 46.52 crore). SSAE registered a Profit of Rs. 2.07 crore (Previous Year: Profit of Rs. 4.43 crore).

R&A Logistics, Inc. ('R&A')

R&A recorded a Profit of USD 6,29,920 (equivalent to Rs.5.07 crore) [Previous Year: Profit of USD 13,08,163 (equivalent to Rs. 9.74 crore)] for the year ended March 31, 2023.

Raymond America Apparel INC

The Board of Directors of the Company at its meeting held on March 2, 2023 had approved acquisition of 100% stake in Raymond America Apparel INC (a company incorporated in New Jersey) having its registered office at 2-14, Fair Lawn Ave, Fair Lawn, New Jersey 07410, USA. Raymond America Apparel INC is having an authorized share capital of 200 stocks with no par value. The transaction was completed on April 25, 2023 and accordingly, Raymond America Apparel INC is a wholly owned subsidiary of the Company.

Raymond America Apparel INC is a newly incorporated entity and it is yet to commence business operations.

The Gross Revenue of Raymond America Apparel INC. for FY 2022-23 was Nil and the Profit/Loss for FY 2022-23 was Nil.

5. CONSOLIDATED ACCOUNTS

In accordance with Indian Accounting Standard (IND AS 110)– Consolidated Financial Statements, the Consolidated Accounts of the Company have been prepared for the year ended March 31, 2023. 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 of the Company is given in Form AOC-1 and forms an integral part of this report.

6. AUDITORS

Statutory Audit

Messrs Chaturvedi & Shah LLP, Chartered Accountants (ICAI Firm Registration Number 101720W/ W100355), registered with the Institute of Chartered Accountants of India, were re-appointed as the Statutory Auditor of the Company for the period of five consecutive years at the 22nd Annual General Meeting ('AGM') held on July 13, 2022 to hold office from the conclusion of the 22nd AGM till the conclusion of the 27th AGM of the Company.

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, DM & Associates Company Secretaries LLP, Company Secretaries in Practice (ICSI Unique Code L2017MH003500) were appointed as Secretarial Auditors of the Company to undertake the Secretarial Audit of the Company for the FY 2022-23. The Secretarial Audit Report for FY 2022-2023 is annexed as "**Annexure A**" and forms an integral part of this Report.

There have been no qualification(s), reservation(s), or adverse remark(s) made in the Secretarial Audit Report by the Secretarial Auditor for the financial year 2022-23.

The Board of Directors of the Company have also appointed DM & Associates Company Secretaries LLP, Company Secretaries in Practice (ICSI Unique Code L2017MH003500) as the Secretarial Auditor of the Company for the financial year 2023-24.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new / revised standard operating procedures.

The Company has entrusted the internal and operational audit to Messrs. Ernst & Young LLP, a reputed firm of Chartered Accountants. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken.

8. SHARE CAPITAL

The paid-up Share Capital of the Company as on March 31, 2023 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

During the year under review, the Board of Directors at its meeting held on March 2, 2023 appointed Shri Manish Bharati and Shri Amit Srivastava as Additional Non-Executive Directors of the Company. The Board also re-appointed Smt. Rashmi Mundada as the Independent Director of the Company for a second term of five years from March 16, 2023 to March 15, 2028 subject to the approval of the Members of the Company. Shri Harish Chatterjee resigned as a Non-Executive Director of the Company with effect from the close of business hours as on March 2, 2023.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Vishal Bist, Director of the Company retires by rotation at the forthcoming Annual General Meeting ('AGM') and, being eligible offer himself for re-appointment.

Profile of Director being re-appointed at the ensuing AGM, as required by Secretarial Standard- 2 on General Meetings, is given in the notice of the ensuing AGM. The above re-appointment forms part of the Notice of the ensuing AGM and the resolution is recommended for Members' approval.

Your Board presently consists of the following Directors:

S. No.	Name of the Director	Designation
1	Shri K. A. Narayan	Non-Executive Director
2	Shri Manish Bharati	Non-Executive Director
3	Shri Vishal Bist	Non-Executive Director
4	Shri Amit Srivastava	Non-Executive Director
5	Smt. Rashmi Mundada	Independent Director

12. MEETINGS

During the year, 6 Board Meetings were held as under and attendance of Board Members is given below:

Date of the Meeting	Attendance of Director					
	Shri K. A. Narayan	Smt. Rashmi Mundada	Shri Vishal Bist	Shri Harish Chatterjee*	Shri Manish Bharati**	Shri Amit Srivastava***
13.05.2022	✓	✓	✓	✓	NA	NA
03.08.2022	✓	✓	✓	✓	NA	NA
31.10.2022	✓	✓	✓	✓	NA	NA
02.11.2022	✓	LOA	✓	✓	NA	NA
30.01.2023	✓	✓	✓	✓	NA	NA
02.03.2023	✓	✓	✓	✓	✓	✓

Declaration by Independent Directors

Smt. 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 and relevant rules made thereunder.

COMMITTEE OF THE BOARD – CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors of the Company constituted the Corporate Social Responsibility ('CSR') Committee. The Committee approved the contribution of Rs. 2 Lakh in pursuance of its CSR objectives for the FY 2022-23. A report on CSR activities and the contents of Corporate Social Responsibility policy is annexed as "**Annexure B**".

The current composition of the Committee is as under:

a. Shri Amit Srivastava* : Non-Executive Director, Chairman
b. Shri Vishal Bist : Non-Executive Director, Member
c. Smt. Rashmi Mundada : Independent Director, Member

**Shri Amit Srivastava appointed as Chairman of the CSR Committee w.e.f. March 02, 2023.*

During the year, a Meeting of CSR Committee was held on March 13, 2023 and Attendance of Committee Members at the Meeting is given below:

Date of the Meeting	Attendance of Committee Members		
	Shri Amit Srivastava*	Shri. Vishal Bist	Smt. Rashmi Mundada
13.03.2023	✓	✓	LOA

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.

14. 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.

15. 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.

16. 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.

17. 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.

18. 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.

19. ANNUAL RETURN

As per Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and relevant Rules, as amended from time to time, every company is required to place a copy of the annual return on the website of the Company, if any, and the web-link of such annual return shall be disclosed in the Board's Report. Since the Company does not have a website, the said provision is not applicable to the Company.

20. 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, 2023 is not applicable.

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.

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 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.

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. RESIDUARY DISCLOSURES

During the year under review:

i. the Company has not issued equity shares with differential rights as to dividend, voting or otherwise. Hence, disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;

ii. the Company has not issued sweat equity shares to its employees. Hence, disclosure under Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;

iii. Company does not fall under provisions of 178 of the Companies Act, 2013 ('Act'), hence disclosure under section 134(3)(e) of the Act is not applicable;

iv. Company does not fall under provisions of Rule 8(4) of the Companies (Accounts) Rules, 2014, hence disclosure under section 134(3)(p) of the Act is not applicable;

v. the provisions of Section 125(2) of the Act, do not apply as there was no unclaimed dividend in the previous years.

vi. there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable.

vii. Company was not required to maintain the cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act were not applicable for the business activities carried out by the Company.

27. ACKNOWLEDGEMENT

The Directors express their appreciation for the contribution made by employees at all levels as without their 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 Directors of
Silver Spark Apparel Limited

Sd/-	Sd/-
Amit Srivastava	**Manish Bharati**
Director	**Director**
DIN: 09837215	**DIN: 07531197**

May 02, 2023
Mumbai

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, 2023

To,
The Members,
SILVER SPARK APPAREL 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 **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 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, 2023, 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, 2023 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder: **NA**;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
4. The provisions of 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;
5. Provisions of Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) were not applicable to the Company during the Audit Period.

We further report that based on the compliance certificates issued by its officers and taken on record by the Board of Directors at their meeting(s) we are of the opinion that there are adequate systems and mechanism in place which are commensurate with the size and operations of the Company to monitor and ensure the compliances of the general laws, rules, regulations and guidelines made there under and also to monitor and ensure the compliances of the following laws specifically applicable to the Company:

i. Competition Act, 2002;
ii. Consumer Protection Act, 1986; and
iii. 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, Non - Executive Directors and Independent Directors. The changes in the composition of the Board 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 for meeting convened under shorter notice were in compliance with section 173(3) of the Companies Act, 2013 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting

Majority decision is carried through while there were no dissenting members' views which are to be captured and recorded as part of the minutes.

We further report that during the audit period the no specific events took place.

For DM & Associates Company Secretaries LLP
Company Secretaries
ICSI Unique Code L2017MH003500

Sd/-

Dinesh Kumar Deora
Partner
FCS NO 5683
CP NO 4119
UDIN: F005683E000239257

Place: Mumbai
Date: May 02, 2023

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,
SILVER SPARK APPAREL 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
ICSI Unique Code L2017MH003500

Sd/-

Dinesh Kumar Deora
Partner
FCS NO 5683
CP NO 4119
UDIN: F005683E000239257

Place: Mumbai
Date: May 02, 2023

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. A gist of the programs that the Company can undertake under the CSR policy is mentioned in the contents of CSR Policy enclosed herewith.

2. The Composition of the CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Amit Srivastava	Non-Executive Director, Chairman	1	1
2	Smt. Rashmi Mundada	Independent Director, Member	1	0
3	Shri Vishal Bist	Non-Executive 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: Not Applicable since the Company does no have its website.
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): Rs. 97.94 Lakhs.

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 2 Lakhs.
   (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. 2 Lakhs.

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**
Rs. 2 Lakhs	NIL	NIL	NIL	NIL	NIL

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable.

(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.	Save the near extinction Species Great Indian Bustard	Animal Welfare	Yes	Maharashtra	Mumbai	Rs. 2 Lakhs	Direct	N.A.	N.A.

(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. 2 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)	Rs. 2 Lakh
ii.	Total amount spent for the Financial Year	Rs. 2 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: Not Applicable.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable.

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/-	**Sd/-**
Shri Amit Srivastava **Chairman – CSR Committee** **DIN: 09837215**	**Shri Manish Bharati** **Non-Executive Director** **DIN: 07531197**
Date: 02.05.2023	**Date: 02.05.2023**

CONTENTS OF CORPORATE SOCIAL RESPONSIBILITY POLICY

(Approved by the Board of Directors on March 20, 2015)

Our aim is to be one of the most respected Companies in India delivering superior and sustainable value to all our customers, business partners, shareholders, employees and host communities.

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

The Company's commitment to CSR projects and programs will be by investing resources into any of the following areas.

- ✓ Improving the quality of life in rural areas;
- ✓ Eradicating hunger, poverty and malnutrition;
- ✓ Promoting healthcare including preventive healthcare;
- ✓ Employment enhancing vocational Skills;
- ✓ Promotion of education including investment in technology in schools;
- ✓ Ensuring environmental sustainability including measures for reducing inequalities faced by socially and economically backward groups;
- ✓ Promoting sports including rural and Olympic sports;
- ✓ Contribution to funds for promoting technology;
- ✓ Investing in various rural development projects;
- ✓ Contributing to the Prime Minister's National Relief Fund or any other fund setup by the Central Government for development and relief; and
- ✓ Other areas approved by the CSR Committee that are covered in the CSR Rules as amended from time-to-time.

ANNEXURE C

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

A. CONSERVATION OF ENERGY

Electricity Power Conservation initiatives:

- Installation of Solar panels on the roof top across all 3 plants, thereby leading to increase in usage of renewable energy (reduction in carbon footprint) to 90 % @ SSAL 1, 85 % @ SSAL 2 and 40 % at SSAL 4.
- Installation of Occupancy sensors in office area leading to reduction in energy consumption.
- Recycling of Paper waste (corrugated Cartons box, Core pipe waste) to the recycler, who processes the same & converts it back to reusable paper material for further usage (waste converted into circular economy).
- Recycling of waste polybags to the recycler who converts the same in the pellets which is further used in the injection moulding of plastic materials.

B. TECHNOLOGY ABSORPTION

The Company has not incurred any separate expenditure for Research and Development activities during the period under review.

- Upgradation of Automatic marker making Software & Hardware leading to increase in marker efficiency.
- Installed AR/ VR technology for training of new operators there by leading to reduction in the learning curve.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the financial year 2022-23, the foreign exchange earnings were Rs. 738.33 Crore (Previous Year: 346.48 Crore). The Foreign Exchange outgo during the financial year 2022-23 was Rs. 244.33 (Previous year: Rs. 136.29 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	4
2	Name of the subsidiary	Silver Spark Middle East FZE, Dubai	Silver Spark Apparel Ethiopia PLC	R & A Logistics, Inc.	Raymond America Apparel Inc.*
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same reporting Period	Same reporting Period	Same reporting Period	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 – (22.37)	Ethiopian Birr (BIRR) BIRR/INR – (1.52)	United States Dollar (USD) USD/INR – (82.22)	United States Dollar (USD) USD/INR – (82.22)
5	Share capital	3092.87	8330.88	1227.45	0.17
6	Reserves & surplus	(78.69)	(2008.40)	(464.94)	-
7	Total assets	10164.23	8955.87	3072.65	0.17
8	Total Liabilities	19658.85	2633.38	2310.15	-
9	Investments	12508.80	0	0	-
10	Turnover	18783.63	5615.24	29329.30	-
11	Profit before taxation	894.54	207.06	734.94	-
12	Provision for taxation	0	0	228.10	-
13	Profit after taxation	894.54	207.06	506.83	-
14	Proposed Dividend	0	0	0	-
15	% of shareholding	100	100	100	100

*Raymond America Apparel Inc. is yet to commence operations.

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	-	-	-
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 Directors of
Silver Spark Apparel Limited

Sd/-
Amit Srivastava
Director
DIN: 09837215

Sd/-
Manish Bharati
Director
DIN: 07531197

May 02, 2023
Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of Silver Spark Apparel Limited

Report on the Audit of the Standalone financial statements

Opinion

We have audited the standalone financial statements of Silver Spark Apparel Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its Profit (Including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) prescribed under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the standalone financial statements as per the ICAI's Code of Ethics and the provisions of the Companies Act, 2013 and Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Standalone financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note no. 35 to the standalone financial statements;

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d.

i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries

ii. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (i) and (ii) above contain any material misstatement.

iv. Proviso to Rule 3 (1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

e. The Company has not declared or paid any dividend during the year ended 31 March 2023.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Sd/-
Lalit R. Mhalsekar
Partner
Membership No.103418
UDIN: 23103418BGXVIH5156
Place: Mumbai
Date: 02/05/2023

Annexure A to Independent Auditor's Report – March 31, 2023

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Silver Spark Apparel Limited** ('the Company') on the financial statements for the year ended March 31, 2023, we report the following:

i.

a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of Right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

b) As explained to us, Property, Plant & Equipment and Right of use assets were physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such physical verification.

c) According to the information and explanations given to us and the records examined by us in respect of immovable properties disclosed as Property, Plant & Equipment and right of use assets (other than properties where the company is the lessee and the lease agreements are duly executed in favours of the lessee) in the financial statements are held in the name of the Company.

d) According to information and explanations given to us and according to books of accounts and records examined by us, Company has not revalued its Property, Plant and Equipment, Right of Use assets and intangible assets during the year.

e) According to information & explanations and representation given to us by the management, no proceedings have been initiated or are pending against the Company as at 31st March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, reporting under Clause 3(i)(e) of the order is not applicable to the Company.

ii.

a) As explained to us and on the basis of the records examined by us, in our opinion, physical verification of the inventories has been conducted at reasonable intervals by the management and having regard to the size and nature of business of the Company and nature of its inventory, the coverage and procedures of such verification by the management is appropriate. As explained to us and on the basis of the records examined by us, no discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification of inventories when compared with books of accounts.

b) The Company has a working capital limit in excess of Rs 5 crore sanctioned by banks and/or financial institutions based on the security of current assets during the year. As per the information and explanation given to us and examination of books of accounts and other records produced before us, in our opinion quarterly returns or statements filed by the Company with banks or financial institutions pursuant to terms of sanction letters for working capital limits secured by current assets are in agreement with the books of account of the Company for the respective periods, which were subject to audit.

iii. With respect to investments made in or any guarantee or security provided or any loans or advances in the nature of loans, secured or unsecured, granted during the year by the Company to companies, firms, Limited Liability Partnerships or any other parties:

a) As per the information and explanations given to us and books of accounts and records examined by us, during the year the Company has provided loans to Other Parties. The details of same are given below: -

Particulars	**Guarantees**	**Security**	**Loans**	**Advances in nature of loans**
Aggregate amount during the year - Others (Including Employee Loans)			3.65 Lakhs	
Balance outstanding as at balance sheet date - Subsidiary - Others (Including Employee Loans)			3430.17 Lakhs 11.79 Lakhs	

b) In our opinion and according to information and explanations given us and on the basis of our audit procedures, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not, prima facie, prejudicial to the Company's interest.

c) According to the books of accounts and records examined by us in respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.

d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

e) In our opinion and according to the information and explanations given and books of accounts and records examined by us, the Company has renewed/ extended loans granted to settled the over dues of existing loans which has fallen due during the year. Further, no fresh loans were granted to same parties to settle the existing overdue loans. Details of which is as under;

Name of Parties	**Aggregate amount of over-dues of existing loans renewed/ extended**	**Percentage of the aggregate of the total loans or advances in the nature of loans granted during the year.**
Silver Spark Middle East	3429.64 Lakhs	Not Applicable (No fresh loan Granted)
Ray Global Consumer Trading	10.00 Lakhs	Not Applicable (No fresh loan Granted)

f) In our opinion and according to the information and explanations provided to us, the company has granted loans repayable on demand as per the details below

Particulars	**All Parties**	**Promoters**	**Related Parties**
Aggregate of loans/advances in nature of loan - Repayable on demand (A) - Agreement does not specify any terms or period of repayment (B)	3,440.17 Lakhs		3,440.17 Lakhs
Total (A+B)			
Percentage of loans/advances in nature of loan to the total loans	100%		100%

iv. In our opinion and according to the information and explanations provided to us, the Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits from public and hence the directive issued by Reserve Bank of India and relevant provisions of sections 73 to 76 or any other relevant provisions of the Act and the companies (Acceptance of Deposits) rules, 2014 (as amended), the rules framed there under shall not apply. Accordingly, the clause (v) of paragraph 3 of the Order is not applicable to the Company.

vi. According to the information and explanations given to us, the Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company’s products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

vii. In respect of Statutory Dues:

(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ in lakhs)	Amount paid under Protest (₹)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Central Excise Act, 1944	Excise Duty	95.82	-	2005-2008	Central Excise and Service Tax Appellate Tribunal	

viii. According to the information and explanations given to us and representation given to us by the management, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix.

a) In our opinion and according to the information and explanations given and books of accounts and records examined by us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

b) In our opinion, and according to the information and explanations given to us, including confirmations received from banks/ financial institution and/or other lenders and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilized for long term purposes.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) According to the information and explanations given to us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x.

a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

b) In our opinion and according to the information and explanations given to us and on the basis of our audit procedures, the Company has not issued optionally convertible debentures on private placement basis, also the Company has not made any preferential allotment of shares or fully or partly convertible debentures during the year and hence clause (x) (b) of paragraph 3 of the Order is not applicable to the Company.

xi.

a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

b) According to information and explanation given to us, no report under sub-section 12 of section 143 of the Act has been filed by us or by any other auditor in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

xii. In our opinion, the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with related parties are in compliance with sections 177 and 188 of the Act where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standards (Ind-AS) 24, related party disclosures specified in Companies (Indian Accounting Standards) Rules, 2015 as prescribed under section 133 of the Act.

xiv.

(a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date.

xv. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.

xvi. a) To the best of our knowledge and according to the information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.

c) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) Based on the information and explanations given to us and as represented by the management of the Company, the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

xvii. In our opinion, and according to the information and explanations provided to us, the Company has not incurred any cash loss in the current as well as the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management , we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. With respect to CSR contribution under section 135 of the Act:

(a) According to the information and explanations given to us and on the basis of our audit procedures, in respect of other than ongoing projects, there was no unspent amount that was required to be transferred to a Fund specified in Schedule VII in compliance with second proviso to sub-section 5 of section 135 of the Act.

(b) According to the information and explanations given to us and on the basis of our audit procedures, in respect of ongoing projects there was no unspent amount that was required to be transferred to special account in compliance with provision of sub section 6 of section 135 of the Act.

xxi. The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Sd/-

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 23103418BGXVIH5156
Place: Mumbai
Date: 02/05/2023

Annexure B to Independent Auditor's Report – March 31, 2023 on the Standalone financial statements of Silver Spark Apparel Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Silver Spark Apparel Limited ('the Company') as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting

Meaning of Internal Financial Controls with reference to these standalone financial statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to these standalone financial statements

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Sd/-

Lalit R. Mhalsekar
Partner
Membership No.103418

UDIN: 23103418BGXVIH5156
Place: Mumbai
Date: 02/05/2023

Silver Spark Apparel Limited

Standalone Balance Sheet as at 31st March 2023

(Rs in lakhs)

	Particulars	Note	Audited As at 31st March , 2023	Audited As at 31st March, 2022
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Property, Plant and Equipment	2A	11,584.70	12,258.98
	(b) Capital work - in - progress	2B	-	84.62
	(c) Right-of-use Asset	2C	644.45	485.19
	(d) Intangible assets	3	91.18	260.32
	(e) Non-Current Investments	4	4,371.37	4,442.69
	(f) Financial Assets			
	(ii) Others financial assets	5	597.35	583.70
	(g) Other non-Current Assets	6	-	10.27
	(h) Asset for Income tax- Net		370.93	252.52
2	**Current assets**			
	(a) Inventories	7	19,575.74	14,407.85
	(b) Financial Assets			
	(ii) Trade Receivables	8	16,754.17	16,373.25
	(iii) Cash and cash equivalents	9	1,179.62	1,762.10
	(iv) Bank Balances other than Cash and Cash Equivalents	10	9.23	408.53
	(v) Loans	11	3,441.96	4,173.21
	(vi) Others financial asset	12	300.66	975.43
	(c) Other current assets	13	1,577.53	1,869.86
	TOTAL ASSETS		**60,498.89**	58,348.52
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Share capital	14A	896.43	896.43
	(i) Equity Share Capital			
	b) Other equity	14B	20,116.90	17,750.30
	(i) Retained earnings			
2	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	15	440.63	634.50
	(ia) Lease liabilities		263.34	203.65
	(b) Deferred Tax Liabilities (Net)	32	620.67	709.61
	(c) Other Non Current Liabilities	16	581.71	694.17
3	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	17	4,586.21	7,628.72
	(ii) Lease Liabilities		382.00	301.32
	(iii) Trade payables	18		
	(A) total outstanding dues of micro and small enterprise		84.30	195.59
	(B) total outstanding dues of creditors other than micro and small enterprise		23,927.04	22,338.28
	(iv) Other financial liabilities	19	6,561.80	5,222.51
	(b) Other current liabilities	20	384.38	416.51
	(c) Short term provisions	21	1,653.48	1,356.93
	TOTAL LIABILITIES		**60,498.89**	58,348.52
	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 the Board of Directors

Sd/-
Lalit R. Mhalsekar
Partner
Membership Number : 103418

Sd/-
Amit Shrivastava
Director
DIN: 09837215

Sd/-
Manish Bharati
Director
DIN: 07531197

Place: Mumbai
Date:02nd May 2023

Silver Spark Apparel Limited

Standalone Statement of Profit & Loss for the Year Ended 31st March 2023

(Rs in lakhs)

		Note	Audited Year ended 31st March, 2023	Audited Year ended 31st March, 2022
I	**Revenue from Operations**	22	77,390.88	49,669.42
	Other Income	23	1,367.33	1,557.73
	Total Income		**78,758.21**	**51,227.15**
II	**Expenses**			
	Cost of materials consumed	24	40,813.12	27,140.49
	Purchase of Stock in Trade	25	10,435.33	1,822.87
	Changes in inventories	26	(6,334.99)	(776.32)
	Employee benefits expense	27	17,295.65	11,741.25
	Finance costs	28	413.90	652.39
	Depreciation and amortization expense	29	1,546.49	1,593.16
	Other expenses :			
	(a) Manufacturing and Operating Costs	30	3,107.27	2,416.25
	(b) Other expenses	31	8,305.13	6,396.08
	Total expenses		**75,581.90**	**50,986.17**
III	**Profit / (loss) before exceptional items and tax (I-II)**		**3,176.31**	**240.98**
IV	**Tax expense**	32		
	Current tax		887.14	94.97
	Deferred tax charge/(credit)		(88.94)	(12.96)
V	**Profit/(Loss) for the period (III-IV)**		**2,378.11**	**158.97**
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	(i) Remeasurements of net defined benefit plans	37	(15.38)	(38.37)
	(ii) Income tax charge / (credit) of above		3.87	9.66
	Other Comprehensive Income for the period (i-ii)		(11.51)	(28.71)
VII	**Total Comprehensive Income for the period (V+VI)**		**2,366.60**	**130.26**
VIII	**Earnings per equity share of Rs. 10 each :**			
	Basic	48	26.53	1.77
	Diluted		26.53	1.77
	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:02nd May 2023

For and on behalf of the Board of Directors

Sd/-
Amit Shrivastava
Director
DIN: 09837215

Sd/-
Manish Bharati
Director
DIN: 07531197

Silver Spark Apparel Limited

Statement of Cashflow for the year ended 31st March 2023 **(Rs in lakhs)**

	Year ended 31st March 2023		Year ended 31st March, 2022	
A) Cash flow from Operating Activities				
Net Profit before tax as per Statement of Profit and Loss.		**3,176.31**		**240.98**
Add/(Less):				
(Profit)/Loss on sale of Fixed assets	-		113.73	
Interest Income	(390.14)		(560.95)	
Provision for doubtful debts	-		117.30	
Provision for doubtful assets	88.66		41.95	
Provision for Export Benefits receivable	-		42.01	
Written off of Doubtful debts	103.54		30.86	
Credit balance written back	(311.91)		(219.09)	
Other Comprehensive Income	(15.38)		(38.37)	
Depreciation and amortisation	1,546.49		1593.16	
Finance Costs	413.90		652.39	
Net Fair Value (Gain) /Loss (on account of fair valuation of deposits)	(0.27)		0.10	
Financial guarantee income	-		(27.74)	
Government grant amortised	(68.71)	1,366.18	(68.71)	1,676.64
Operating Cash Profit Before Working Capital changes		**4,542.49**		**1,917.62**
Changes in working capital				
(Increase) / Decrease in Inventories	(5,167.89)		(5610.92)	
(Increase) / Decrease in Trade Receivables	(171.30)		(6614.75)	
(Increase) / Decrease in Loans	(268.75)		(111.25)	
(Increase) / Decrease in Other Financial Assets	663.34		15.59	
(Increase) / Decrease in Other Assets	209.51		(592.95)	
Increase / (Decrease) in Trade Payables	1,480.54		7684.65	
Increase / (Decrease) in Other Financial Liabilities	1,315.70		1293.38	
Increase / (Decrease) in Other Liabilities	(15.96)		148.52	
(Increase) / Decrease in deposits	(13.65)		0.00	
Increase / (Decrease) in Short Term Provisions	296.55	(1,671.91)	301.09	(3,486.64)
Less: Direct Taxes paid (Net)		(1,005.55)		79.74
Net Cash inflow/(outflow) from operating activities (A)		**1,865.03**		**(1,489.27)**
B) Cash flow arising from Investing Activities				
Inflow				
Sale of fixed assets	0.24		213.00	
Proceeds from Inter Corporate Deposit	1,000.00		1500.00	
Inter Corporate Deposit Repaid	-		3000.00	
Interest income	382.03	1,382.27	673.06	5,386.06
Outflow				
Inter Corporate Deposit Given	-		(1,010.00)	
Inter Corporate Deposit Repaid	-		(2,500.00)	
Fixed Deposit with Bank	399.30		0.00	
Acquisition of fixed assets	(213.41)	185.89	(129.04)	(3,639.04)
		-		-
Net Cash inflow/(outflow) from investing activities (B)		**1,568.16**		**1,747.02**
C) Cash flow from Financing Activities				
Inflow				
Proceeds from Long Term Borrowings	-		846.00	
Increase in Working Capital Loan / Short term loans from Banks	(3,042.51)	(3,042.51)	1,839.94	2,685.94
Outflow				
Repayment of Non Current Financial Borrowings	(193.87)		(202.38)	
Finance Costs	(340.57)		(653.46)	
Repayment of Lease Liabilities	(438.72)	(973.16)	(360.04)	(1,215.88)
Net cash inflow/(outflow) from Financing activities (C)		**(4,015.67)**		**1,470.06**
Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)		(582.48)		1,727.81
Add: Balance at the beginning of the year (Refer Note 9)		1,762.10		34.29
Cash and Cash equivalents at the close of the year (Refer Note 9)		**1,179.62**		**1,762.10**

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, 2023	Opening Balance	Non Cash / Accruals / Fair Value Changes	Cash Flow (Repayments) / Additions	Closing Balance
Long-term external borrowings	846.00	-	(193.87)	652.13

Year ended 31st March, 2022	Opening Balance	Non Cash / Accruals / Fair Value Changes	Cash Flow (Repayments) / Additions	Closing Balance
Long-term external borrowings	202.38	846.00	(202.38)	846.00

Year ended 31st March, 2023	Opening Balance	Non Cash / Accruals / Fair Value Changes	Cash Flow Repayments	Closing Balance
Interest accrued on long term external borrowings	5.38	60.22	(60.93)	4.67

Year ended 31st March, 2022	Opening Balance	Non Cash / Accruals / Fair Value Changes	Cash Flow Repayments	Closing Balance
Interest accrued on long term external borrowings	1.68	68.10	(64.40)	5.38

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
Place: Mumbai
Date:02nd May 2023

Sd/-
Amit Shrivastava
Director
DIN: 09837215

Sd/-
Manish Bharati
Director
DIN: 07531197

Silver Spark Apparel Limited

Statement of Changes in Equity

A . Equity share capital **(Rs in Lakhs)**

	Amount
As at 31 March, 2022	896.43
As at 31 March, 2023	896.43

Current Reporting Period- Year ended March 23 **(Rs in lakhs)**

	As at 31st March, 2023	
	Number of shares	Amount
Equity Shares Capital :		
Balance as at the beginning of the current reporting year	89,64,300	**896.43**
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	89,64,300	896.43
Changes in equity share capital during the current year	-	-
Balance at the end of the current reporting period	89,64,300	896.43

Previous Reporting Period- Year ended March 22

	As at 31st March, 2022	
	Number of shares	Amount
Equity Shares Capital :		
Balance as at the beginning of the current reporting year	89,64,300	**896.43**
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	89,64,300	896.43
Changes in equity share capital during the current year	-	-
Balance at the end of the current reporting period	89,64,300	896.43

B. Other Equity **(Rs in lakhs)**

	Reserves and Surplus			
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Total
Balance as at 31st March, 2021	**527.57**	**3,803.56**	**13,288.90**	**17,620.04**
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting Period	**527.57**	**3,803.56**	**13,288.90**	**17,620.04**
Profit for the year	-	-	158.97	158.97
Other Comprehensive Income for the year (Remeasurement of defined benefit plan)			(28.71)	(28.71)
Balance as at 31st March, 2022	**527.57**	**3,803.56**	**13,419.16**	**17,750.30**
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting Period	**527.57**	**3,803.56**	**13,419.16**	**17,750.30**
Profit for the year	-	-	2,378.11	2,378.11
Other Comprehensive Income for the year (Remeasurement of defined benefit plan)			(11.51)	(11.51)
Balance as at 31st March, 2023	**527.57**	**3,803.56**	**15,785.76**	**20,116.90**

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/-
Amit Shrivastava
Director
DIN: 09837215

Sd/-
Manish Bharati
Director
DIN: 07531197

Place: Mumbai
Date:02nd May 2023

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 under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its 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) 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 to 6 years.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(e) Lease

Company as a lessee

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been presented in the Balance Sheet as a part of Property, plant and equipment and lease payments have been classified as financing cash flows.

Company as a lessor

Lease income from operating leases where the company is lessor is recognised in income on straight line basis over the lease term.

f) Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional and shall be initially measured at their transaction price unless those contain a significant financing component.

(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.

(h) 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.

(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

All Financial Assets are initially recognized at fair value except for trade receivable which is measured initially at transaction cost. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

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.

(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 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.

(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 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.

(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 towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract

Sale of goods

In case of domestic customer, generally performance obligation satisfied and transferred the control when goods are dispatched or delivery is handed over to transporter, in case of export customers, generally performance obligation satisfied and transferred the control, when goods are shipped onboard based on bill of lading.

Sales Return

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

Revenue from services

Revenue from services is recognised in the accounting period in which the services are rendered.

Other operating revenue - Export incentives

Export Incentives under various schemes are accounted in the year of export.

(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 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.

(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 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.

(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 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.

(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.

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) 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.

(w) 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.

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, 2021	**85.71**	**2,522.27**	**298.90**	**15,719.49**	**166.70**	**508.43**	**129.24**	**19,430.75**	**49.50**
Additions	-	24.24	-	58.49		2.41	9.29	**94.43**	**129.55**
Disposals	-	-	-			214.70		**214.70**	**94.43**
Adjustment	-	-	-	-	-	-	-	**-**	**-**
Balance as at 31st March, 2022	**85.71**	**2,546.51**	**298.90**	**15,777.98**	**166.70**	**296.15**	**138.53**	**19,310.48**	**84.62**
Additions				106.42	37.33	35.48	70.95	**250.19**	**165.57**
Disposals	-	-	-			4.54		**4.54**	**250.19**
Adjustment	-	-	-	-	-	-	-	**-**	
Balance as at 31st March, 2023	**85.71**	**2,546.51**	**298.90**	**15,884.41**	**204.03**	**327.09**	**209.48**	**19,556.12**	**-**
Accumulated Depreciation									
Balance as at 31st March, 2021	**-**	**623.60**	**298.90**	**4,737.13**	**104.85**	**286.68**	**108.08**	**6,159.24**	**-**
Depreciation for the year	**-**	87.46	-	830.85	14.65	64.13	10.59	1,007.68	**-**
Deductions/Adjustments	**-**	-	-		-	115.43		115.43	**-**
Balance as at 31st March, 2022	**-**	**711.06**	**298.90**	**5,567.99**	**119.51**	**235.37**	**118.67**	**7,051.49**	**-**
Depreciation for the year	**-**	87.34	-	793.95	16.34	17.97	8.62	924.23	**-**
Deductions/Adjustments	**-**	-	-		-	4.30		4.30	**-**
Balance as at 31st March, 2023	**-**	**798.40**	**298.90**	**6,361.94**	**135.84**	**249.05**	**127.29**	**7,971.42**	**-**
Net Carrying Amount :									
Balance as at 31st March, 2023	**85.71**	**1,748.11**	**(0.00)**	**9,522.47**	**68.19**	**78.04**	**82.19**	**11,584.70**	**-**
Balance as at 31st March, 2022	**85.71**	**1,835.45**	**(0.00)**	**10,210.00**	**47.20**	**60.77**	**19.86**	**12,258.98**	**84.62**

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 Capital- Work-in Progress

CWIP Ageing Schedule

(Rs in Lakhs)

CWIP(2022-23)	Amount in CWIP for a period of				
	Less than 1 year	1-2 year	2-3 years	more than 3 years	Total
CWIP	-				- -
	-	**-**	**-**	**-**	**-**

CWIP(2021-22)	Amount in CWIP for a period of				
	Less than 1	1-2 year	2-3 years	more than 3	Total
CWIP	84.62				- 84.62
	84.62	**-**	**-**	**-**	**84.62**

There is no time over due and cost over run

2C Right-of-use Asset

(Rs in lakhs)

	Buildings	Total
Gross Carrying Amount :		
Balance as at 31st March, 2021	**195.31**	**195.31**
Additions	704.19	704.19
Disposals	44.67	44.67
Adjustment		
Balance as at 31st March, 2022	**854.83**	**854.83**
Additions	555.73	555.73
Disposals	166.59	
Balance as at 31st March, 2023	**1,243.97**	**1,410.56**
Accumulated Depreciation:		
Balance as at 31st March, 2021	**86.18**	**86.18**
Depreciation for the year	328.12	**328.12**
Deductions/Adjustments	44.66	**44.66**
Balance as at 31st March, 2022	**369.64**	**369.64**
Depreciation for the year	396.47	**396.47**
Deductions/Adjustments	166.59	
Balance as at 31st March, 2023	**599.52**	**766.11**
Net Carrying Amount :		
Balance as at 31st March, 2023	**644.45**	**644.45**
Balance as at 31st March, 2022	**485.19**	**485.19**

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, 2021	**855.89**	**855.89**	**-**
Additions		-	
Deductions/Adjustments		-	**-**
Balance as at 31st March, 2022	**855.89**	**855.89**	**-**
Additions	56.66	56.66	**56.66**
Deductions/Adjustments		-	**56.66**
Balance as at 31st March, 2023	**912.55**	**912.55**	**-**
Accumulated Amortisation :			
Balance as at 31st March, 2021	**338.22**	**338.22**	**-**
Amortisation for the year	257.36	257.36	
Deductions/Adjustments			
Balance as at 31st March, 2022	**595.58**	**595.58**	**-**
Amortisation for the year	225.79	225.79	
Deductions/Adjustments			
Balance as at 31st March, 2023	**821.37**	**821.37**	**-**
Net Carrying Amount :			
Balance as at 31st March, 2023	**91.18**	**91.18**	**-**
Balance as at 31st March, 2022	**260.31**	**260.31**	**-**

-

(a) Other than internally generated
(b) Balance useful life as on 31st March 23 ranges from 6 months to 5.5 years .

4 Non Current Investments

(Rs. in Lakhs)

	As at 31st March , 2023		As at 31st March, 2022	
	No. of Units	Amount	No. of Units	Amount
Investment in subsidiaries				
Unquoted				
Equity Instruments at Cost				
Silver Spark Middle East FZE (Equity Shares of 150000 AED Each)	109	3,092.87	109	3,164.36
R & A Logistics, INC.	23,703	1,278.33	23,703	1,278.33
Raymond America Apparel INC	200 Stock	0.17	-	-
Total	**23,812**	**4,371.37**	**23,812**	**4,442.69**

Note :-
The Company has on April 25, 2023 acquired 100% stake in Raymond America Apparel INC (“RAAI”) incorporated in New Jersey.

5 Other Financial assets

(Rs. in Lakhs)

	As at 31st March , 2023	As at 31st March, 2022
(Unsecured, considered good)		
Security Deposits	289.13	275.48
Margin money deposits with bank*	308.22	308.22
*(Held as lien by bank against bank guarantee.)		
Total	**597.35**	**583.70**

6 Other Non-current assets

(Rs. in Lakhs)

	As at 31st March , 2023	As at 31st March, 2022
Capital advances	(0.00)	8.82
Capital advances, considered doubtful	0.33	0.33
Less: Allowance for bad and doubtful assets	(0.33)	(0.33)
Prepaid Expense - Deferred cost	-	1.45
Total	**(0.00)**	**10.27**

7 Inventories

(Rs. in Lakhs)

	As at 31st March , 2023	As at 31st March, 2022
Raw Materials (Including Packing Material)	5,915.89	7,038.82
Raw Materials - In Transit	620.90	1,906.94
Work-in-progress	234.45	197.18
Finished goods	8,876.97	4,333.33
Stock in Trade	2,587.90	833.82
Stock in Trade - In Transit	1,235.81	-
Stores and Spares	103.82	97.76
Total	**19,575.74**	**14,407.85**

Refer Note 33 For information on assets pledged as security by the Company

8 Trade receivables

(Rs. in Lakhs)

	As at 31st March , 2023	As at 31st March, 2022	
Trade Receivable(refer Note 45)	8,224.75	7,149.79	
Receivable from Related parties (refer Note 38)	8,529.42	9,405.96	
Less: Allowance for bad and doubtful debts	-	(182.50)	-
Total	**16,754.17**	**16,373.25**	

Refer Note 33 For information on assets pledged as security by the Company

The movement in Allowance for bad and doubtful debts is as follows:

(Rs. in Lakhs)

	As at 31st March , 2023	As at 31st March, 2022
Balance as at beginning of the year	182.50	69.27
Additions from Dress Master Apparel Private Ltd. Under Business Purchase Agreement	-	-
Allowance for bad and doubtful debts during the year		117.30
Less: Trade receivables written off during the year(previous year provision)	182.50	4.07
Balance as at the end of the year	**-**	**182.50**

Refer note 40 for information about credit risk and market risk of trade receivables.

2022-23	**Not due**	**Less than 6 months**	**6 months- 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Disputed							
Related Parties						-	-
Others						-	-
Less:- Provision	-	-	-	-	-	-	-
Net Disputed(a)	-	-	-	-	-	-	-
Secured disputed	-	-	-	-	-	-	-
Unsecured Disputed	-	-	-	-	-	-	-
Undisputed							
Related Parties	5,821.35	2,708.08	-	-	-	-	8,529.42
Others	7,275.35	916.24	17.66	15.50	-	-	8,224.75
Less:- Provision	-		-				-
Net Undisputed(b)	**13,096.70**	**3,624.32**	**17.66**	**15.50**	**-**	**-**	**16,754.17**
Secured Undisputed							
Unsecured Undisputed	**13,096.70**	**3,624.32**	**17.66**	**15.50**	**-**	**-**	**16,754.17**
TOTAL(a+b)	**13,096.70**	**3,624.32**	**17.66**	**15.50**	**-**	**-**	**16,754.17**
Total Secured	-	-	-	-	-	-	-
Total Unsecured	**13,096.70**	**3,624.32**	**17.66**	**15.50**	**-**	**-**	**16,754.17**

2021-22	**Not due**	**Less than 6 months**	**6 months- 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Disputed							
Related Parties	-	-	-	-	-	-	
Others	-	-	-	-	-	-	
Less:- Provision	-	-	-	-	-	-	
Net Disputed(a)	-	-	-	-	-	-	-
Secured disputed	-	-	-	-	-	-	-
Unsecured Disputed	-	-	-	-	-	-	-
Undisputed							
Related Parties	6,120.88	3,073.07	34.78	52.94	124.29	-	9,405.97
Others	4,658.16	2,260.34	23.71	206.78	0.10	0.69	7,149.78
Less:- Provision	-		-	(181.70)	(0.10)	(0.69)	(182.50)
Net Undisputed(b)	**10,779.03**	**5,333.42**	**58.49**	**78.02**	**124.29**	**-**	**16,373.25**
Secured Undisputed							
Unsecured Undisputed	**10,779.03**	**5,333.42**	**58.49**	**78.02**	**124.29**	**-**	**16,373.25**
TOTAL(a+b)	**10,779.03**	**5,333.42**	**58.49**	**78.02**	**124.29**	**-**	**16,373.25**
Total Secured	-	-	-	-	-	-	-
Total Unsecured	**10,779.03**	**5,333.42**	**58.49**	**78.02**	**124.29**	**-**	**16,373.25**

9 Cash and cash equivalents **(Rs. in Lakhs)**

	As at 31st March , 2023	As at 31st March, 2022
Cash in hand	6.79	4.95
Cheques, drafts on hand	-	-
Balances with Banks		
In current accounts(Refer Note 45)	1,172.83	1,757.15
Term deposits with original maturity of less than three months	-	-
Total	**1,179.62**	**1,762.10**

Refer Note 33 For information on assets pledged as security by the Company

10 Bank Balances other than Cash and Cash Equivalents **(Rs. in Lakhs)**

	As at 31st March , 2023	As at 31st March, 2022
Fixed deposits with banks	9.23	408.53
Total	**9.23**	**408.53**

11 Loans **(Rs. in Lakhs)**

	As at 31st March , 2023	As at 31st March, 2022
(Unsecured, considered good)		
Loans to employees	1.79	0.47
Loans to related parties (Refer Note 38)	3,440.17	4,172.74
Total	**3,441.96**	**4,173.21**

Refer note 40 for information about credit risk and market risk for loans.

2022-23

Loan Given to Related Party during the year	Rs in Lakh	Rate of Interest	Terms
No New loan given during the year		NA	NA

2021-22

Loan Given to Related Party during the year	Rs in Lakh	Rate of Interest	Terms
Raymond UCO Denim Private Limited	1000.00	8.50%	180 days
Raymond Global Consumer Trading Limited	10.00	8.50%	365 days

12 Other Financial Assets **(Rs. in Lakhs)**

	As at 31st March , 2023	As at 31st March, 2022
Derivative financial instruments	-	89.72
Export benefits receivable	28.95	141.07
Interest receivable	81.68	83.63
Export benefits receivable, considered doubtful	184.93	184.93
Less: Allowance for bad and doubtful assets	(184.93)	(184.93)
Other Receivable from Related Party(Refer Note 38)	190.03	661.01
Interest Subsidy receivable, considered doubtful	92.24	92.24
Less: Allowance for bad and doubtful assets	(92.24)	(92.24)
Total	**300.66**	**975.43**

13 Other current assets **(Rs. in Lakhs)**

	As at 31st March , 2023	As at 31st March, 2022
Advances to Suppliers(Refer Note 45)	341.60	337.22
Balances with government authorities, considered good	1,046.92	1,451.72
Prepaid expenses	163.04	50.45
Other advances	25.97	30.47
Other advances , considered doubtful	32.13	-
Less: Allowance for bad and doubtful advance	(32.13)	-
Advances to Suppliers, considered doubtful	92.65	36.13
Less: Allowance for bad and doubtful assets	(92.65)	(36.13)
Balances with government authorities, considered doubtful	27.54	27.54
Less: Allowance for bad and doubtful assets	(27.54)	(27.54)
Total	**1,577.53**	**1,869.86**

14A Equity Share capital (Rs. in Lakhs)

	As at 31st March , 2023	As at 31st March, 2022
Authorised		
4,00,00,000 [31st March, 2021: 4,00,00,000] Equity Shares of Rs.10 each	4,000.00	4,000.00
1.000.000[31st March,2021 : 1,000,000] Preference Shares of Rs.100 each	1,000.00	1,000.00
Issued		
8,964,300 [31st March, 2021: 8,964,300] Equity Shares of Rs.10 each	896.43	896.43
Subscribed and fully paid up		
8,964,300 [31st March, 2021: 8,964,300] Equity Shares of Rs.10 each	896.43	896.43
Total	**896.43**	**896.43**

a) Reconciliation of number of shares (Rs. in Lakhs)

	As at 31st March , 2023		As at 31st March, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	89,64,300	896.43	89,64,300	896.43
Add: Share Issued during the year	-	-	-	-
Add : Conversion of preference shares into equity share	-	-	-	-
Balance at the end of the year	**89,64,300**	**896.43**	**89,64,300**	**896.43**

Current Reporting Period- Year ended March 23

	As at 31st March , 2023	
	Number of shares	Amount
Equity Shares Capital :		
Balance as at the beginning of the current reporting year	89,64,300	896.43
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the period	89,64,300	896.43
Changes in equity share capital during the current year		
Balance at the end of the period	**89,64,300**	**896.43**

Previous Reporting Period- Year ended March 22

	As at 31st March, 2022	
	Number of shares	Amount
Equity Shares Capital:		
Balance as at the beginning of the current reporting year	89,64,300	896.43
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the period	89,64,300	896.43
Changes in equity share capital during the current year		
Balance at the end of the period	**89,64,300**	**896.43**

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 , 2023	As at 31st March, 2022
Equity Shares of Rs. 10 each held by: 8,964,300 Equity shares [March 31, 2021: 8,964,300 shares] held by Raymond Limited(Along with Nominees)	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 , 2023		As at 31st March, 2022	
	%	No. of Shares	%	No. of Shares
Equity shares held by Raymond Limited(Along with Nominees)	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, 2021	**527.57**	**3,803.56**	**13,288.90**	**17,620.04**
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting Period	**527.57**	**3,803.56**	**13,288.90**	**17,620.04**
Profit for the year			158.97	158.97
Other Comprehensive Income for the year (Remeasurement of defined benefit plan)			(28.71)	(28.71)
Balance as at 31st March, 2022	**527.57**	**3,803.56**	**13,419.16**	**17,750.30**
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting Period	**527.57**	**3,803.56**	**13,419.16**	**17,750.30**
Profit for the year			2,378.11	2,378.11
Other Comprehensive Income for the year (Remeasurement of defined benefit plan)			(11.51)	(11.51)
Balance as at 31st March, 2023	**527.57**	**3,803.56**	**15,785.76**	**20,116.90**

15 Non Current Borrowings

(Rs. in Lakhs)

	As at 31st March , 2023	As at 31st March, 2022
Secured		
Term Loan From banks	440.63	634.50
	440.63	**634.50**

Nature of Security and terms of repayment for Long Term secured borrowings:

Nature of Security	Terms of Repayment
(i) Term loan amounting to Rs. 652.13 lakhs (Rs. 846 lakhs March 31,2022) is secured by extension of second ranking charge over existing primary and collateral securities including mortgages created in favour of the Bank and security created over the hypothecated assets.	48 monthly installment after morotorium, payment starting from May 2022. Rate of interest as at year end 8.40% (31st March,2021 :7.50%)

Note: Instalment of loans falling due within next twelve months aggregating Rs. 211.50 lakhs (Rs. 211.50 lakhs March 31,2022) have been grouped under Current Borrowings. (Refer Note 17)

16 Other non current liabilities **(Rs. in Lakhs)**

	As at 31st March , 2023	As at 31st March, 2022
Government Grant relating to assets	581.71	650.42
Financial Guarantee liability	-	43.75
	581.71	**694.17**

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 , 2023	As at 31st March, 2022
Secured		
Loans repayable on demand from banks	4,374.71	7,417.22
(Secured against first pari-passu charge on Stock, Receivables and Plant & Machinery)		
Secured		
Term Loan From banks -Current maturities of long-term debt from Banks	211.50	211.50
Total	**4,586.21**	**7,628.72**

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 , 2023	As at 31st March, 2022
Trade payables*		
Amounts due to micro and small enterprise	84.30	195.59
Amounts due to related parties (Refer note 38)	17,803.15	14,540.12
Others (Refer note 45)	6,123.89	7,798.17
Total	**24,011.34**	**22,533.87**

*Includes Provision for Expenses

Refer note 40 for information about liquidity risk and market risk of trade payables

2022-23

	Not due	Less than 1 year	1- 2 year	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
Related Parties	11,867.20	5,420.42	455.25	(149.24)	209.52	17,803.15
MSME	65.06	19.24	-	-	-	84.30
Others	3,473.07	2,337.20	32.76	64.37	216.49	6,123.89
Net undisputed(b)	**15,405.34**	**7,776.86**	**488.01**	**(84.87)**	**426.00**	**24,011.34**
Total (a+b)	**15,405.34**	**7,776.86**	**488.01**	**(84.87)**	**426.00**	**24,011.34**

2021-22

	Not due	Less than 1 year	1- 2 year	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
Related Parties	3,430.24	9,239.84	1,025.11	486.19	358.73	14,540.12
MSME	70.39	123.15	2.05			195.59
Others	1,602.17	5,849.53	126.88	134.02	85.58	7,798.17
Net undisputed(b)	**5,102.80**	**15,212.52**	**1,154.03**	**620.21**	**444.31**	**22,533.88**
Total (a+b)	**5,102.80**	**15,212.52**	**1,154.03**	**620.21**	**444.31**	**22,533.88**

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 , 2023	As at 31st March, 2022
a) The principal amount remaining unpaid to any supplier at the end of the year	84.30	195.59
b) Interest due remaining unpaid to any supplier at the end of the year	12.29	23.10
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	22.25	28.38
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 , 2023	As at 31st March, 2022
Interest accrued	39.14	15.54
Salary and Wages payable	4,484.36	3,682.26
Payable to related parties(Refer Note 38)	2,026.30	1,447.88
Capital Creditors	12.00	76.83
Total	**6,561.80**	**5,222.51**

20 Other current liabilities **(Rs. in Lakhs)**

	As at 31st March , 2023	As at 31st March, 2022
Advance from customers(Refer Note 45)	99.56	87.99
Statutory Dues	216.12	232.08
Government Grants Relating to Assets (Refer Note 16)	68.70	68.70
Financial Guarantee liability	-	27.74
Total	**384.38**	**416.51**

-

21 Short Term Provisions **(Rs. in Lakhs)**

	As at 31st March , 2023	As at 31st March, 2022
Provision for Gratuity (Refer Note 37)	1,083.32	927.89
Provision for Leave Entitlement	570.16	429.04
Total	**1,653.48**	**1,356.93**

22 Revenue from Operations **(Rs. in Lakhs)**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Sale of Products		
(Manufactured & Traded products)	71,413.86	44,535.33
Sales of Services		
(i) Job Work	4,217.77	4,480.48
Other operating revenue		
(i) Export Incentives, etc	1,715.71	620.37
(ii) Process waste sale	43.54	33.24
Total	**77,390.88**	**49,669.42**

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price :

	Year ended 31st March, 2023	Year ended 31st March, 2022
Contract Price	**77,390.88**	**49,669.42**
Less :		
Performance linked incentives / Discounts	-	-
Total	**77,390.88**	**49,669.42**

There is no impact on account of application of Ind AS- 115 Revenue from Contracts with Customers.

23 Other income **(Rs. in Lakhs)**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest income	390.14	560.95
Exchange Fluctuation (net)	542.92	560.37
Goverment Grant relating to assets	68.71	68.71
Other non-operating income	53.65	34.88
Profit on sale of Fixed Assets	-	113.73
Excess Provision written back	311.91	219.09
Total	**1,367.33**	**1,557.73**

24 Cost of materials consumed **(Rs. in Lakhs)**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Raw materials consumed		
Opening Stock	7,038.82	3,446.58
Purchases	39,690.19	30,732.73
Less : Closing Stock	5,915.89	7,038.82
# Includes cost of packing material consumed during the year		
Total	**40,813.12**	**27,140.49**

25 Purchase of Stock in Trade **(Rs. in Lakhs)**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Purchase of Traded Goods	10,435.33	1,822.87
Total	**10,435.33**	**1,822.87**

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, 2023	Year ended 31st March, 2022
Opening inventories		
Finished goods	4,333.33	2,378.63
Stock-in-trade	833.82	2,074.56
Work-in-progress	197.18	134.81
Accumulated cost of conversion contracts		
Completed	-	-
In Process	-	-
	5,364.33	**4,588.00**
Closing inventories		
Finished goods	8,876.97	4,333.33
Stock-in-trade	2,587.90	833.82
Work-in-progress	234.45	197.18
Accumulated cost of conversion contracts		
Completed	-	-
In Process	-	-
	11,699.32	**5,364.32**
Total	**(6,334.99)**	**(776.32)**

27 Employee benefits expense **(Rs. in Lakhs)**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Salaries and wages	14,497.20	10,089.29
Contribution to provident funds and other funds	1,226.72	763.32
Defined benefit plan expense (Refer note 37)	340.06	244.85
Workmen and Staff welfare expenses	1,231.67	643.79
Total	**17,295.65**	**11,741.25**

28 Finance costs **(Rs. in Lakhs)**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest expense (Net of interest subsidy under TUF Scheme of Rs.Nil Lakhs (Previous year Rs.Nil Lakhs))	364.17	599.60
Interest on lease liability	49.73	52.79
Total	**413.90**	**652.39**

29 Depreciation and amortization expense **(Rs. in Lakhs)**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Depreciation on Property, Plant and Equipment (Refer note 2A)	924.23	1,007.68
Amortization on Intangible assets (Refer note 3)	225.79	257.36
Depreciation on Right of use Assets(Refer note 2C)	396.47	328.12
Total	**1,546.49**	**1,593.16**

30 Manufacturing and Operating Costs **(Rs. in Lakhs)**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Consumption of stores and spare parts	1,273.11	1,046.64
Power and fuel	535.35	439.27
Job work charges	471.85	204.89
Repairs to buildings	352.71	195.82
Repairs to machinery	111.44	186.06
Other Manufacturing and Operating expenses	362.81	343.57
Total	**3,107.27**	**2,416.25**

31 Other expenses **(Rs. in Lakhs)**

		Year ended 31st March, 2023	Year ended 31st March, 2022
Rent (Refer note 36)		28.25	43.87
Insurance		169.98	121.15
Rates and Taxes		133.34	146.82
Commission to selling agents		1,482.28	900.74
Carriage & Freight,etc.		2,677.01	1,894.26
Legal and Professional Expenses		399.04	256.51
Director Fees		2.00	1.00
Security Charges		244.90	248.34
Loss on sale of assets		0.24	-
IT outsourcing Cost		42.72	45.14
Expenditure toward Corporate Social Responsibility (CSR) activities		2.00	23.01
Provision for Export benefits receivable		-	42.01
Provision for doubtful debts		-	117.30
Provision for doubtful assets		88.66	41.95
Writeoff of doubtful debts	286.04		
Less: Previous years Provision written back	182.50	103.54	30.86
Corporate facility charges		841.00	620.00
Miscellaneous Expenses		2,090.18	1,863.12
Total		**8,305.13**	**6,396.08**

A Details of Payments to Auditor (Included in Legal and Professional expenses) **(Rs. in Lakhs)**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Audit Fees	29.50	25.00
Other Services		-
Reimbursement Expenses		-
Total	**29.50**	**22.50**

B Corporate social resposibility expenditure **(Rs. in Lakhs)**

	Year ended 31st March, 2023	Year ended 31st March, 2022
a) Gross amount required to be spent by the Company during the year	2.00	23.00
b) Amount of expenditure incurred on		
(i) Construction/acquisition of any asset		
(ii) On purposes other than (i) above	2.00	23.01
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Reason for Shortfall	NA	NA
f) Nature of CSR activities	Environment	Education,Health
g) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard :Contribution to Smt. Sulochanadevi Singhania School Trust in relation to CSR expenditure	-	12.26

32 Income Tax

Tax expense recognised in the Statement of Profit and Loss

(Rs. in Lakhs)

	Year ended 31st March,2023	Year ended 31st March,2022
Current tax		
Current year	887.14	94.97
Total current tax	**887.14**	**94.97**
Deferred tax		
Origination and reversal of temporary difference	(88.94)	(12.96)
Change in tax rates	-	-
Total deferred income tax expense/(credit)	**(88.94)**	**(12.96)**
Total income tax expense/(credit)	**798.20**	**82.01**

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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,2023	Year ended 31st March,2022
Profit before Tax	3,176.31	240.98
Enacted income tax rate in India	25.17%	25.17%
Income tax expenses as per enacted rate	799.48	60.65
Differences due to:		
Income not considered for tax purpose	(17.53)	(18.30)
Expenses not deductable for tax purpose	16.26	28.89
Reversal of excess asset created on tax loss	-	10.77
Others		
Total	**798.20**	**82.01**
Effective Tax rate	**25.13**	**34.03**

The movement in deferred tax assets and liabilities during the year ended March 31, 2022 and March 31, 2023:

(Rs. in Lakhs)

Movement during the year ended March 31, 2022 and March 31, 2023	As at 1st April, 2022	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	Credit/(charge) direct to equity	As at 31st March, 2022	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2023
Deferred tax assets/(liabilities)								
Provision for post retirement benefits and other employee benefits	474.12	7.54	-	-	481.66	35.52	-	517.18
Provision for doubtful debts and advances	70.90	49.63	-	-	120.53	(23.62)	-	96.91
Expenses allowable for tax purposes when paid	183.89	68.24	-	-	252.13	38.44	-	290.57
Depreciation	(1,455.48)	5.40	-	-	(1,450.08)	39.08	-	(1,411.01)
Carried Forward losses	121.16	(121.16)	-	-	-	-	-	-
Temporary difference in Leases	(54.11)	3.30	-		(50.79)	(0.53)	-	(51.32)
Loss on sale of Fixed assets	24.67	-			24.67	0.06	-	24.73
Change in tax rates	-	-	-		-	-		-
Fair value gains/losses	(87.73)	-	-		(87.73)	-	-	(87.73)
	-	-			-	-	-	-
Total	**(722.58)**	**12.95**	**-**	**-**	**(709.61)**	**88.94**	**-**	**(620.67)**

-

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, 2023	As at 31st March, 2022
Current Assets		
Cash and cash equivalents	1,179.62	1,762.10
Receivables	16,754.17	16,373.25
Inventories	19,575.74	14,407.85
Total	**37,509.53**	**32,543.20**
Movable Assets		
Plant & equipment	9,522.47	10,210.00
Furniture & fixtures	68.19	47.20
Vehicles	78.04	60.77
Office equipment	82.19	19.86
Total	**9,750.89**	**10,337.83**
Total assets pledged as security	**47,260.42**	**42,881.03**

34 Commitments

(Rs. in Lakhs)

	As at 31st March, 2023	As at 31st March, 2022
(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	159.71	45.17
Less: Capital advances	-	8.82
Net Capital commitments	**159.71**	**36.35**
(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	766.70	714.73
(ii) Raw Materials	37,902.37	24,266.59
Total Other Commitments	**38,669.06**	**24,981.32**
Total Commitments	**38,828.78**	**25,017.67**

35 Contingent liabilities and Contingent Assets (to the extent not provided for)

(Rs. in Lakhs)

	As at 31st March, 2023	As at 31st March, 2022
Contingent Liabilities		
(a) Claims against the Company not acknowledged as debts :-		
ESIC	8.36	8.36
Excise Matters	95.82	95.82
Income Tax #	18.95	21.95
Custom Duty	-	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) *	4,762.86	7,426.51
Total	**4,885.99**	**7,750.64**

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ applicable accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

Future Cash Flows in respect of above are determinable only on receipt of judgements/decision pending with various authorities/forum

The income tax authorities carried out search and seizure operations on the premises of the Company in the financial year 2011-12. On the basis of notice received under section 153 A of the IT Act, 1961, the Company had submitted returns of income and also provided the necessary details / informations.

The company has filed appeal with ITAT for Assessment Year 2009-10 to 2012-13, for the demand of disallowances of depreciation and related expenses to the extent of Rs. 10.73 lakhs and company has filed appeal with CIT for Assessment Year 2017-18 of Rs. 8.22 Lakhs

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	2022-23	2021-22
Short-term leases	67.89	72.36
Leases of low value assets	-	-
Depreciation expense of right-of-use assets	396.47	328.12
Interest expense on lease liabilities	49.73	52.79
Total	**514.09**	**453.27**

2 Additional profit or loss and cash flow information

Particulars	2022-23	2021-22
Total cash outflow in respect of leases in the year	438.72	360.04

3

Carrying amounts of lease liabilities and the movements during the year:	2022-23	2021-22
Opening Balance	504.97	118.15
Additions	529.37	694.07
Deletions	-	-
Accretion of interest	49.73	52.79
Payments	(438.73)	(360.04)
Closing Balance	645.34	504.97
Current	382.00	301.32
Non-current	263.34	203.65

4 **The discounted maturity analysis of lease liabilities at 31 March 2023 is as follows:**

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Lease payments	Finance Charge	Lease payments	Finance Charge
Within1 year	421.10	39.10	330.18	28.86
1-2years	184.49	15.04	201.39	9.00
2-3years	96.46	2.57	11.50	0.25
3-4years	-	-	-	-
4-5years	-	-	-	-
5-10years	-	-	-	-
10-25years	-	-	-	-
Over 25years	-	-	-	-
Total	**702.05**	**56.71**	**543.07**	**38.11**

37 Post retirement benefit plans

As per Actuarial Valuation as on 31st March, 2023 and 31st March, 2022 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.1226.72 Lakhs (31st March 2022: Rs.763.32 Lakhs).

B. Balance Sheet

(Rs. in Lakhs)

	Defined benefit plans	
	As at 31st March, 2023	**As at 31st March, 2022**
Present value of plan liabilities	1,226.49	1,041.03
Fair value of plan assets	143.18	113.15
Plan liability net of plan assets	**1083.31**	**927.88**

C. Movements in plan assets and plan liabilities

(Rs. in Lakhs)

	Year ended 31st March, 2023			Year ended 31st March, 2022		
	Plan Assets	**Plan liabilities**	**Total**	**Plan Assets**	**Plan liabilities**	**Total**
As at 1st April	113.15	1,041.03	(927.88)	269.76	926.52	(656.76)
Current service cost	-	276.59	(276.59)	-	202.22	(202.22)
Return on plan assets excluding amounts included in net	0.94	-	0.94	(3.52)	-	(3.52)
Difference in fair value of plan assets	-	-	-	-	-	-
Interest cost	7.74	71.21	(63.47)	17.51	60.13	(42.62)
Actuarial (gain)/loss arising from changes in demographic assumptions		-	-		0.14	(0.14)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(55.11)	55.11	-	(30.37)	30.37
Actuarial (gain)/loss arising from experience adjustments	-	71.42	(71.42)	-	65.08	(65.08)
Employer contributions	200.00		200.00	-		-
Transferred In/Acquisitions		-	-		-	-
Benefit paid directly by the employer	-	-	-	-	(12.09)	12.09
Benefit payments	(178.65)	(178.65)	-	(170.60)	(170.60)	-
As at 31st March	**143.18**	**1,226.49**	**(1,083.31)**	**113.15**	**1,041.03**	**(927.74)**

The weighted average duration of the defined benefit plans is 10 years (2021-22 : 10 Years)
The expected contribution to the funded plans in financial year 2023-24 : 933.87 Lacs (2022-23 : 688.27 Lacs)

D. Statement of Profit and Loss

(Rs. in Lakhs)

	Year ended 31st March, 2023	**Year ended 31st March, 2022**
Employee Benefit Expenses:		
Current service cost	276.59	202.22
Total	**276.59**	**202.22**
Finance cost/(income)	63.47	42.62
Net impact on the Profit / (Loss) before tax	**340.06**	**244.84**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	0.94	(3.52)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	(0.14)
Actuarial gains/(losses) arising from changes in financial assumptions	55.11	30.37
Experience gains/(losses) arising on pension plan and other benefit plan liabilities	(71.42)	(65.08)
Net impact on the Other Comprehensive Income before tax	**(15.38)**	**(38.37)**

E. Assets

(Rs. in Lakhs)

	Defined benefit plans	
	As at 31st March, 2023	As at 31st March, 2022
Unquoted		
Insurer managed funds	143.18	113.15
Total	**143.18**	**113.15**

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, 2023	As at 31st March, 2022
Financial Assumptions		
Discount rate	6.84%	6.49%
Salary Escalation Rate	3% - 7.50%	3% - 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, 2023			Year ended 31st March, 2022		
	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%	(90.03)	103.52	1%	(78.82)	91.10
Salary Escalation Rate	1%	99.78	(88.58)	1%	87.55	(78.14)
Attrition Rate	1%	(10.24)	10.51	1%	(9.77)	10.42

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, 2023 as follows:

(Rs. in Lakhs)

Year ending 31 March, 2023	Defined benefit obligation	
	As at 31st March, 2023	As at 31st March, 2022
1st following year	84.01	73.41
2nd following year	89.52	80.58
3rd following year	107.90	82.92
4th following year	103.23	96.83
5th following year	119.28	89.80
Thereafter	550.32	428.92

38 Related Party Disclosures as per Ind As-24

1. Relationship

a) Holding Company

Raymond Limited.

b) Wholly owned Subsidiary Companies :

Silver Spark Middle East (FZE) - The United Arab Emirates
Silver Spark Apparel Ethiopia PLC - Ethiopia (Step down Subsidiary)
R & A Logistics, INC - The United States of America
Raymond America Apparel INC(w.e.f. 24th April, 2023) - 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:

Shri Harishkumar Hariprasad Chatterjee(resigned wef 02.03.2023)
Shri Krishnan Ashwath Narayan
Smt. Rashmi Mundada
Shri Vishal Bist
Shri Manish Bharati(wef 02.03.2023)
Shri Amit Shrivastava(wef 02.03.2023)

e) Joint Venture of holding company with whom transactions have taken place during the year :

Raymond UCO Denim Private Limited

f) Associate of holding company with whom transactions have taken place during the year :

Ray Global Consumer Trading Limited
JK Investo Trade(India) Limited

g) Other Significant influences with whom transactions have taken place during the year :

JK Investor (Bombay) Limited

h) Trust

Silver Spark Apparel Limited Employees Gratuity Fund
Smt. Sulochanadevi Singhania School Trust

* Raymond Apparel Limited , Demerged Division was merged with Raymond Limited during the year 2021-22.The Company has shown transactions of previous year as transaction with Raymond Apparel Limited.

2. Transactions carried out with related parties referred in 1 above, in ordinary course of business:

(Rs. In Lakhs)

Nature of Transactions	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above	Referred in 1 (d) above	Referred in 1 (e) above	Referred in 1 (f) above	Referred in 1 (g) above	Referred in 1 (h) above
Income								
Job Work charges								
Raymond Limited	611.76							
	(392.92)							
R & A Logistics, INC		2530.20						
		(3376.34)						
Raymond (Europe) Limited			613.57					
			(225.24)					
Sales								
Raymond Limited	185.02							
	(0.52)							
Raymond (Europe) Limited			11786.60					
			(6341.12)					
Raymond Apparel Limited			-					
			(1371.66)					
R & A Logistics, INC		11487.78						
		(9412.86)						
Everblue Apparel Limited			-					
			(2.45)					
Export Script Sales								
Raymond Limited	380.66							
	(126.75)							
Sale of Fixed Assets								
JK Investor (Bombay) Limited							-	
							(213.00)	
Other Income								
JK Investor (Bombay) Limited							-	
							(4.26)	
Raymond Limited	14.50							
	-							
Others reimbursement								
Raymond Limited	145.62							
	(13.74)							
Dress Master Apparel Private Limited		-						
		-						
Silver Spark Middle East FZE		28.80						
		-						
Celebrations Apparel Limited			-					
			-					
Raymond Luxury Cottons Limited			69.55					
			(40.99)					
Raymond (Europe) Limited			31.59					
			(19.52)					
R & A Logistics, INC		41.52						
		(46.59)						
Guarantee income								
Silver Spark Middle East FZE		27.74						
		(27.74)						

Nature of Transactions	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above	Referred in 1 (d) above	Referred in 1 (e) above	Referred in 1 (f) above	Referred in 1 (g) above	Referred in 1 (h) above
Purchase								
Raymond Limited	12747.63 (9343.88)							
Silver Spark Middle East FZE		9166.40 (1770.81)						
Raymond Apparel Limited			- (4.00)					
Dress Master Apparel Private Limited		- -						
Raymond Luxury Cottons Limited			3886.15 (1358.78)					
Raymond UCO Denim Private Limited					- (62.22)			
Expenses								
Rent								
Raymond Limited	180.00 (180.00)							
Celebrations Apparel Limited			102.69 (102.69)					
Commission								
Raymond (Europe) Limited			917.72 (461.15)					
Corporate facility charges								
Raymond Limited	841.00 (620.00)							
Motor Vehicle Repair								
JK Investor (Bombay) Limited							- (23.55)	
Others reimbursement								
Raymond Limited	183.25 (369.91)							
R & A Logistics, INC		2408.40 -						
Silver Spark Middle East FZE		312.12 (34.66)	-					
Claim compensation								
R & A Logistics, INC		3.62 -						
Raymond (Europe) Limited		73.78 -						
Deputation of staff								
Raymond Limited	- (98.05)							
Directors sitting fees:	-	-	-	-				
Rashmi Mundada				2.00				
	-	-	-	(1.00)				
	-	-	-	-				
Paid to Trust - Smt. Sulochanadevi Singhania School Trust								- (12.36)
Paid to Trust - Employees Gratuity Fund contribution								200.00 -

Nature of Transactions	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above	Referred in 1 (d) above	Referred in 1 (e) above	Referred in 1 (f) above	Referred in 1 (g) above	Referred in 1 (h) above
Finance								
Unsecured Loan taken								
JK Investo Trade(India) Limited	-	-	-	-		- (1,500.00)		
Unsecured Loan repaid								
JK Investor (Bombay) Limited							- (1,000.00)	
JK Investo Trade(India) Limited						- (1,500.00)		
Unsecured Loan repaid by								
Raymond Apparel Limited			- (3000.00)					
Raymond UCO Denim Private Limited					1,000.00 -	-		
Unsecured Loan given								
Ray Global Consumer Trading Limited						- (10.00)		
Raymond UCO Denim Private Limited					- (1,000.00)			
Investment in Shares								
Raymond America Apparel INC		0.17 -						
Interest Expense								
JK Investor (Bombay) Limited							- (71.26)	
JK Investo Trade(India) Limited						- (86.75)		
Interest Earned								
Silver Spark Middle East FZE		261.09 (291.30)						
Raymond Apparel Limited			- (125.05)					
Ray Global Consumer Trading Limited						0.85 (0.07)		
Raymond UCO Denim Private Limited					63.81 (43.08)			

Previous year's figures are in bracket.

Silver Spark Apparel Limited
Notes to the Standalone Financial Statements

Related Party Disclosures as per Ind As-24

(Rs. In Lakhs)

	31st March'23	31st March'22
Outstandings :		
Payable		
Holding Company		
Raymond Limited	11584.26	12859.94
Subsidiary		
Silver Spark Middle East FZE	2260.07	899.78
R & A Logistics, INC	647.62	1.90
Fellow Subsidiaries		
Celebrations Apparel Limited	-	-
Raymond (Europe) Limited	607.36	422.87
Everblue Apparel Limited	-	-
Raymond Luxury Cottons Limited	2703.84	312.92
Other Significant influences		
JK Investor Bombay Limited	-	2.18
Joint Venture of holding company		
Raymond UCO Denim Private Limited	-	40.53
Other Payable		
Holding Company		
Raymond Limited	1785.82	1296.29
Fellow Subsidiaries		
Celebrations Apparel Limited	240.48	151.59
Receivable		
Holding Company		
Raymond Limited	700.97	612.93
Subsidiary		
R & A Logistics, INC	4446.37	6458.03
Fellow Subsidiaries		
Raymond (Europe) Limited	3382.07	2165.55
Raymond Apparel Limited	-	169.46
Other Receivable		
Subsidiary		
Silver Spark Middle East FZE	190.03	661.01
Interest Receivable		
Associate of holding company		
Ray Global Consumer Trading Limited	0.77	0.06
Joint Venture of holding company		
Raymond UCO Denim Private Limited	-	6.50
Investment		
Subsidiary		
Silver Spark Middle East FZE	3092.87	3164.36
R & A Logistics, INC	1278.33	1278.33
Raymond America Apparel INC	0.17	-
Loans Given		
Subsidiary	-	-
Silver Spark Middle East FZE	3430.17	3163.36
Associate of holding company		
Ray Global Consumer Trading Limited	10.00	10.00
Joint Venture of holding company		
Raymond UCO Denim Private Limited	-	1000.00
Deposit Given		
Fellow Subsidiaries		
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'2023				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	-	3,440.17	3,440.17	-	-	-	-	-	-	-	-	3,440.17	3,440.17
Loans to Employees	-	1.79	1.79	-	-	-	-	-	-	-	-	1.79	1.79
Other Financial Assets	597.35	300.66	898.01	-	-	597.35	597.35	-	-	-	-	300.66	898.01
Trade receivable	-	16,754.17	16,754.17	-	-	-	-	-	-	-	-	16,754.17	16,754.17
Mark to market on derivative financial instruments*	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and Cash equivalents	-	1,179.62	1,179.62	-	-	-	-	-	-	-	-	1,179.62	1,179.62
Other Bank balance		9.23	9.23	-	-	-	-	-	-	-	-	9.23	9.23
	597.35	**21,685.64**	**22,282.99**	**-**	**-**	**597.35**	**597.35**	**-**	**-**	**-**	**-**	**21,685.64**	**22,282.99**
Financial Liabilities													
Borrowings	440.63	4,586.21	5,026.84	-	-	-	-	-	-	-	-	5,026.84	5,026.84
Financial guarantee liability	-	-	-	-	-	-	-	-	-	-	-	-	-
Mark to market on derivative financial instruments*	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	6,549.80	6,549.80	-	-	-	-	-	-	-	-	6,549.80	6,549.80
Trade Payables	-	24,011.34	24,011.34	-	-	-	-	-	-	-	-	24,011.34	24,011.34
Lease Liability	263.34	382.00	645.34									645.34	645.34
Capital Creditors		12.00	12.00									12.00	12.00
	703.97	**35,541.35**	**36,245.32**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**36,245.32**	**36,245.32**

(Rs. In Lakhs)

Financial Assets and Liabilities as at 31st March'2022				Routed through P & L				Routed through OCI				Carrying at amortised cost	Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets													
Other Assets													
Loan to Related Parties	-	4,172.74	4,172.74	-	-	-	-	-	-	-	-	4,172.74	4,172.74
Loans to Employees	-	0.47	0.47	-	-	-	-	-	-	-	-	0.47	0.47
Other Financial Assets	583.70	885.71	1,469.41	-	-	583.70	583.70	-	-	-	-	885.71	1,469.41
Trade receivable	-	16,373.25	16,373.25	-	-	-	-	-	-	-	-	16,373.25	16,373.25
Mark to market on derivative financial instruments*	-	89.72	89.72	-	89.72	-	89.72	-	-	-	-	-	89.72
Cash and Cash equivalents	-	1,762.10	1,762.10	-	-	-	-	-	-	-	-	1,762.10	1,762.10
Other Bank balance		408.53	408.53	-	-	-	-	-	-	-	-	408.53	408.53
	583.70	**23,692.52**	**24,276.22**	**-**	**89.72**	**583.70**	**673.42**	**-**	**-**	**-**	**-**	**23,602.80**	**24,276.22**
Financial Liabilities													
Borrowings (Including Current maturities of long-term debt from Banks)	634.50	7,628.72	8,263.22	-	-	-	-	-	-	-	-	8,263.22	8,263.22
Financial guarantee liability	43.75	27.74	71.49	-	-	71.49	71.49	-	-	-	-	-	71.49
Mark to market on derivative financial instruments*	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	5,145.68	5,145.68	-	-	-	-	-	-	-	-	5,145.68	5,145.68
Trade Payables	-	22,533.87	22,533.87	-	-	-	-	-	-	-	-	22,533.87	22,533.87
Lease Liability	203.65	301.32	504.97									504.97	504.97
Capital Creditors		76.83	76.83									76.83	76.83
	881.90	**35,714.16**	**36,596.06**	**-**	**-**	**71.49**	**71.49**	**-**	**-**	**-**	**-**	**36,524.57**	**36,596.06**

* 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, 2023		As at 31st March, 2022	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Loan to Related Parties	3,440.17	3,440.17	4,172.74	4,172.74
Loans to Employees	1.79	1.79	0.47	0.47
Other Financial Assets	300.66	300.66	885.71	885.71
Trade receivable	16,754.17	16,754.17	16,373.25	16,373.25
Cash and Cash equivalents	1,179.62	1,179.62	1,762.10	1,762.10
Other Bank balance	9.23	9.23	408.53	408.53
	21,685.64	**21,685.64**	**23,602.80**	**23,602.80**
Financial Liabilities				
Borrowings (Including Current maturities of long-term debt from Banks)	5,026.84	5,026.84	8,263.22	8,263.22
Other Financial Liabilities	6,549.80	6,549.80	5,145.68	5,145.68
Trade Payables	24,011.34	24,011.34	22,533.87	22,533.87
Lease Liability	645.34	645.34	504.97	22,533.87
Capital Creditors	12.00	12.00	76.83	76.83
	36,245.32	**36,245.32**	**36,524.57**	**58,553.48**

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.

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, 2023	As at 31st March, 2022
Borrowings bearing variable rate of interest	4,374.71	7,417.22

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

(Rs. in lakhs)

	2022-2023	2021-2022
50 bp increase- decrease in profits	(21.87)	(37.09)
50 bp decrease- Increase in profits	21.87	37.09

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, 2023		As at 31st March, 2022	
Forward contracts to sell USD	USD	-	USD	52.69
Forward contracts to sell EUR	EUR	-	EUR	-
Forward contracts to sell GBP	GBP	-	GBP	14.98
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, 2023 **(Foreign currency in lakhs)**

Particulars	**USD**	**EURO**	**HKD**	**JPY**	**GBP**	**AED**
Trade payables	68.76	2.29	-	282.42	0.50	-
Trade receivable	131.68	16.08	-	281.47	29.51	-

As at 31st March, 2022 **(Foreign currency in lakhs)**

Particulars	**USD**	**EURO**	**HKD**	**JPY**	**GBP**	**AED**
Trade payables	46.37	0.34	-	108.15	1.19	7.29
Trade receivable	133.56	10.33	-	294.60	2.05	-

Foreign Currency Risk Sensitivity

A change of 1% in Foreign currency would have following Impact on profit before tax

(Rs. in lakhs)

	2022-2023		**2021-2022**	
	1% Increase	**1% decrease**	**1% Increase**	**1% decrease**
USD	51.73	(51.73)	66.10	(66.10)
EURO	12.36	(12.36)	8.46	(8.46)
HKD	-	-	-	-
JPY	(0.01)	0.01	1.16	(1.16)
GBP	29.55	(29.55)	0.86	(0.86)
AED	-	-	(1.50)	1.50
SGD				
Increase / (decrease) in profit or loss	**93.64**	**(93.64)**	**75.07**	**(75.07)**

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, 2023	**As at 31st March, 2022**
Not due	13,096.70	10,779.04
0-3 months	3,432.79	4,684.84
3-6 months	191.52	648.57
6 months to 12 months	17.66	58.49
beyond 12 months	15.50	202.30
Total	**16,754.17**	**16,373.25**

Movement in provisons of doubtful debts

(Rs. in lakhs)

	As at 31st March, 2023	**As at 31st March, 2022**
Opening provision	182.50	69.27
Add:- Additions from Dress Master Apparel Private Ltd. Under Business	-	-
Add:- Additional provision made	-	117.30
Less:- Provision write off/ reversed	182.50	4.07
Less:- Provision utilised against bad debts	-	-
Closing provisions	**(0.00)**	**182.50**

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, 2023			
	0-1 year	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long tern debt)	211.50	440.63	-	652.13
Short term borrowings	4,374.71	-		4,374.71
Expected Interest payable	133.85	8.17	-	142.02
Total	**4,720.06**	**448.80**	**-**	**5,168.86**

	As at 31st March, 2022			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long tern debt)	211.50	634.50	-	846.00
Short term borrowings	7,417.22	-		7,417.22
Expected Interest payable	114.47	69.46	-	183.93
Total	**7,743.19**	**703.96**	**-**	**8,447.15**

Maturity patterns of other Financial Liabilities

As at 31st March, 2023 (Rs. in lakhs)

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	8,606.00	9,853.80	3,962.43	-	-	22,422.23
Lease liabilities	-	103.83	90.66	187.50	263.34	645.34
Other Financial liability (Current and Non Current)	-	5,383.48	-	1,178.33	-	6,561.81
Total	**8,606.00**	**15,341.12**	**4,053.09**	**1,365.83**	**263.34**	**29,629.38**

As at 31st March, 2022 (Rs. in lakhs)

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	17,431.07	5,098.05	4.74	-	-	22,533.86
Lease liabilities	-	111.77	113.42	76.13	203.64	504.97
Other Financial liability (Current and Non Current)	-	4,222.51	-	1,000.00	-	5,222.51
Total	**17,431.07**	**9,432.33**	**118.16**	**1,076.13**	**203.64**	**28,261.34**

41 Capital risk management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

42 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity and net debt includes interest bearing loans and borrowings less current investments, cash and cash equivalents, other bank balances and interest accrued on current investments. The primary objective of the Company's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt, excluding discontinued operation.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

	Year ended 31st March, 2023	Year ended 31st March, 2022
Long term borrowings	440.63	634.50
Short term borrowings (Including current maturities of Long term borrowing)	4,586.21	7,628.72
Less : Cash and cash equivalents	1,179.62	1,762.10
Less : Bank balances other than cash and cash equivalents	9.23	408.53
Less : Current investments	-	-
Less : Interest receivable on current investments	-	-
Net debt	3,837.99	6,092.59
Total equity	21,013.33	18,646.73
Capital and total equity		
Gearing ratio	0.18	0.33

To maintain or adjust the capital structure, the Company review the fund management at regular intervals and take necessary actions to maintain the requisite capital structure.
No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

43 Segment Information

The Company's business activity falls within a single primary business segment of manufacture of trousers, shirts and jackets. Accordingly, the Company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment".

In accordance with Accounting Standard Ind As 108 'Operating Segment ', segment information has been given in the consolidated financial statements of Silver Spark Apparel Limited, and therefore, no separate disclosure on segment information is given in these financial statements..

Further the Company meets the quantitative threshold as mentioned in Ind AS 108 and hence separate information has been disclosed below:

Reporting of Customers contributing to revenue more than 10% **(Rs. in lakhs)**

Name of Customer	Revenue	
	Year ended 31st March, 2023	Year ended 31st March, 2022
JCpenney Purchasing Corparation	8,648.01	-
LI & FUNG Trading (Express)	13,609.17	14,530.67
R & A Logistics, INC	14,018.10	12,789.21
Raymond (Europe) Limited	12,400.17	6,566.36
Total	**48,675.45**	**33,886.23**

44 Other statutory information

DETAILS OF BENAMI PROPERTY HELD

The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company has got transactions/balance with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

Sr No	Name of Struck off company	Nature of Transaction	Transactions during the year March 31, 2023	Balance outstanding at the end of the year as at March 31, 2023	Relationship with the Struck off company, if any, to be disclosed
1	SAHARA CARGO PACKERS AND SHIFTERS PRIVATE LIMITED	Advance given	-	0.28	Vendor(Non related)
2	EVERGREEN SYSTEMS AND ENGINEERING PRIVATE LIMITED	Advance given	-	1.51	Vendor(Non related)

WILLFUL DEFAULTER

The Company has not been declared a willful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

UNDISCLOSED INCOME

The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

BORROWINGS OBTAINED ON THE BASIS OF SECURITY OF CURRENT ASSETS

For the borrowings secured against current assets ,the company has filed Quarterly statements of current assets with the banks and the same are in agreement with the books of accounts.

UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

As on March 31, 2022 there is no unutilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.

REVALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year

COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017

45 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.

46 Previous year figures have been re-grouped/rearranged wherever necessary to conform to the current year's classification.

47 The ratios for the years ended March 31, 2023 and March 31, 2022 are as follows:

		2022-23	2021-22	Variation	Numerator	Denominator	Reasoning
1	Current Ratio(in times)	1.15	1.07	7%	Current assets	Current liabilities	
2	Debt- Equity Ratio(in times)	0.24	0.44	-46%	Total debt = [Long term borrowings including current maturities + current borrowings]	Equity= Issued share capital + Other equity	Decrease in debt equity ratio from 0.44 in FY 21-22 to 0.24 in FY 22-23. This is due to drop in loan from 8263.22 in FY 22 to 5026.84 in FY 23
3	Debt- Service Coverage Ratio(in times)	0.94	0.28	239%	Earnings available for debt service = Profit before tax - gain on disposal of discontinued operation + finance costs + depreciation and amortisation expense	Debt service = Interest + Principal repayments	1. Earning before interest Tax depreciation and amortisation is increased from Rs. 2486.53 Lacs in FY 21-22 to Rs. 5136.70 Lacs in FY 22-23. 2. Also there is drop in Loan and Interest from Rs. 8915.61 Lacs in FY 21-22 to Rs. 5440.74 Lacs
4	Return on equity Ratio(in %)	11.99%	0.86%	1302%	Net profits after taxes	Average total equity	Net profit has increased from Rs. 158.97 Lacs in FY 21-22 to Rs. 2378.11 Lacs in FY 22-23
5	Inventory Turnover Ratio(in times)	0.66	0.61	9%	Cost of Goods Sold	Average inventory	
6	Trade receivable Turnover Ratio(in times)	1.14	0.95	21%	Revenue from sale of products and services	Average trade receivables	
7	Trade Payable turnover Ratio(in times)	0.54	0.44	22%	Net purchases of goods = Purchase of raw materials included in cost of raw materials consumed + Purchases of stock in trade	Average Trade Payables	
8	Net Capital Turnover Ratio(in times)	14.15	18.25	-22%	Revenue from operations	Working capital = Current assets - Current liabilities	
9	Net profit Ratio(in %)	3.07%	0.32%	860%	Net profit after tax	Revenue from operations	Net profit has increased from Rs. 158.97 Lacs in FY 21-22 to Rs. 2378.11 Lacs in FY 22-23
10	Return on Capital employed Ratio(in %)	13.56%	3.42%	296%	Earnings before interest and taxes (including other income)	Capital Employed = Average total equity + Average Total Debt	Earning before interest and tax has increased from Rs. 893.37 Lacs in FY 21-22 to Rs. 3590.21 Lacs in FY 22-23
11	Return on Investment (in %)	11.99%	0.86%	1302%	Profit After Tax	Average Shareholder Equity	Net profit has increased from Rs. 158.97 Lacs in FY 21-22 to Rs. 2378.11 Lacs in FY 22-23

48 Earnings per share

	Year ended 31st March, 2023	Year ended 31st March, 2022
Earnings Per Share		
Profit/(Loss) for the year (Rs. in lakhs)	2,378.11	158.97
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	26.53	1.77
- Diluted	26.53	1.77

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

For and on behalf of the Board of Directors

Sd/-
Amit Shrivastava
Director
DIN: 09837215

Sd/-
Manish Bharati
Director
DIN: 07531197

Place: Mumbai
Date:02nd May 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Silver Spark Apparel Limited

Report on the Audit of the Consolidated financial statements

Opinion

We have audited the Consolidated financial statements of **Silver Spark Apparel Limited** ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including other Comprehensive income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, the consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with Standards on Auditing (SAs) prescribed under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements together with the independence requirements that are relevant to our audit of the financial statements as per the ICAI's Code of Ethics and the provisions of the Companies Act, 2013 and Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, but does not include the consolidated financial statements and our auditor's report thereon.
Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Consolidated financial statements

The accompanying consolidated financial statements have been approved by the holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group, and its associates and joint ventures, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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 direct subsidiaries and one indirect subsidiary, whose financial statements reflect total assets of Rs. 19,151.60 Lakhs as at 31st March, 2023, total revenues of Rs. 48,154.15 Lakhs, total profit after tax of Rs. 1,630.38 Lakhs, total comprehensive Income/ (loss) Rs. 246.8 Lakhs and net cash inflows of 234.60 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the

Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports (if applicable) of such companies.

As required by Section 143(3) of the Act, we report that based on our audit and on the consideration of the report (s) of the other auditor (s) on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Statement Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Accounts) Rules, 2015, as amended.

(e) On the basis of the written representations received from the directors of the Holding Company, its subsidiary Companies as on 31st March, 2023 and taken on record by the Board of Directors of the Holding Company incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its Subsidiary Companies covered under the Act and operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

Based on our audit and on the consideration of the reports of other auditors and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its managerial personnel during the year and accordingly reporting in accordance with the requirements of section 197(16) of the Act is not required.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

a. The consolidated financial statements disclose impact of pending litigations on its consolidated financial position of the group as detailed in note 35 to the consolidated financial statements;

b. The Holding Company, its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2023**;**

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies during the year ended March 31, 2023.

d.

i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Group to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries

ii. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Group from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (i) and (ii) above contain any material misstatement.

iv. Proviso to Rule 3 (1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

e. The Holding Company and its subsidiary companies have not declared or paid any dividend during the year ended 31 March 2023.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Sd/-
Lalit R. Mhalsekar
Partner
Membership No.103418
UDIN: 23103418BGXVII9483

Place: Mumbai
Date: 02/05/2023

Annexure A to Independent Auditor's Report – March 31, 2023 on the Consolidated financial statements of Silver Spark Apparel Limited

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Silver Spark Apparel Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company, {its subsidiary companies) which are companies covered under the Act, as at that date.

Responsibilities of Management {and Those Charged with Governance} for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on internal control with reference to Consolidated financial statement over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial with reference to Consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to these Consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these Consolidated financial statements included obtaining an understanding of internal financial controls with reference to these Consolidated financial statements, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting

Meaning of Internal Financial Controls with reference to these Consolidated financial statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to these Consolidated financial statements

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355
Sd/-
Lalit R. Mhalsekar
Partner
Membership No.103418

UDIN: 23103418BGXVII9483
Place: Mumbai
Date: 02/05/2023

Silver Spark Apparel Limited

Consolidated Balance Sheet as at 31st March 2023

(Rs. in lakhs)

		Note	Audited As at 31st March, 2023	Audited As at 31st March, 2022
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Property, Plant and Equipment	2A	17,809.73	18,941.32
	(b) Capital work - in - progress	2B	-	84.62
	(c) Right-of-use Asset	2C	697.85	487.85
	(d) Other Intangible assets	3	137.97	313.02
	(e) Financial Assets			
	(i) Others financial assets	4	770.25	743.15
	(f) Other non - current assets	5	-	10.27
	(g) Assets for Income Tax (Net)		351.02	252.52
2	**Current assets**			
	(a) Inventories	6	24,100.15	18,450.61
	(b) Financial Assets			
	(i) Trade Receivables	7	14,049.29	13,269.49
	(ii) Cash and cash equivalents	8	4,185.58	4,533.45
	(iii) Bank Balances other than Cash and Cash Equivalents	9	9.23	408.53
	(iv) Loans	10	11.80	1,009.86
	(v) Other financial asset	11	110.63	314.42
	(c) Other current assets	12	2,203.96	2,296.81
	TOTAL ASSETS		**64,437.46**	**61,115.92**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity Share capital	13	896.43	896.43
	(b) Other equity	14	11,775.17	9,412.90
	Liabilities			
2	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	15	440.63	1,641.64
	(ii) Lease liabilities	16	283.93	203.65
	(b) Deferred tax liabilities (Net)	33	481.35	383.36
	(c) Other Non-current Liability	17	581.71	650.42
3	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	18	9,288.34	13,922.52
	(ii) Lease Liabilities	19	415.32	312.07
	(iii) Trade Payables	20		
	(A) total outstanding dues of Small enterprise and micro enterprise		84.30	195.59
	(B) total outstanding dues of creditors other than Small enterprise and micro enterprise		30,895.34	26,139.29
	(iv) Other financial liabilities	21	6,733.00	5,558.88
	(b) Other current liabilities	22	908.46	442.24
	(c) Provisions	23	1,653.48	1,356.93
	(d) Current Tax Liabilities (Net)		-	-
	TOTAL EQUITY AND LIABILITIES		**64,437.46**	**61,115.92**
	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/-
Amit Shrivastava
Director
DIN: 09837215

Sd/-
Manish Bharati
Director
DIN: 07531197

Place: Mumbai
Date: 02nd May 2023

Silver Spark Apparel Limited

Consolidated Statement of Profit & Loss for the Year ended 31st March 2023

(Rs. in lakhs)

		Note	Audited Year ended 31st March, 2023	Audited Year ended 31st March, 2022
I	**Revenue from Operations**	24	93,266.21	62,404.56
II	**Other Income**	25	1,216.82	1,835.03
III	**Total Income (I + II)**		**94,483.03**	**64,239.59**
IV	**Expenses**			
	Cost of materials consumed	26	51,687.52	34,546.80
	Purchases of Stock-in-Trade	27	7,446.87	1,075.52
	Changes in inventories of finished goods, Stock-in-Trade and work-in progress	28	(6,497.38)	(537.26)
	Employee benefits expense	29	19,803.02	13,648.40
	Finance costs	30	810.50	950.55
	Depreciation and amortization expense	31	2,022.14	2,131.48
	Other expenses			
	A. Manufacturing and Operating Costs	32A	4,238.41	3,277.51
	B. Other expenses	32B	9,669.89	7,582.31
	Total expenses (IV)		**89,180.97**	**62,675.31**
V	**Profit / (loss) before exceptional items and tax (III - IV)**		5,302.06	1,564.28
VI	**Tax expense**			
	Current tax	33	906.62	94.97
	Deferred tax charge/(credit)	33	119.68	(318.33)
VII	**Profit/(Loss) for the period (V - VI)**		**4,275.76**	**1,787.64**
VIII	**Other Comprehensive Income**			
A	**(i) Items that will not be reclassified to profit or loss**			
	Remeasurements of net defined benefit plans	38	(15.38)	(38.37)
	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	3.87	9.66
	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		(1,901.98)	(788.86)
	Other Comprehensive Income for the period (VIII)		**(1,913.49)**	**(817.57)**
IX	**Total Comprehensive Income for the period (VII + VIII)**		**2,362.27**	**970.07**
X	**Earnings per equity share of Rs. 10 each :**	48		
	Basic		47.70	19.94
	Diluted		47.70	19.94
	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/-
Amit Shrivastava
Director
DIN: 09837215

Sd/-
Manish Bharati
Director
DIN: 07531197

Place: Mumbai
Date: 02nd May 2023

Silver Spark Apparel Limited

Consolidated Statement of Cash Flow for the year ended 31st March, 2023

(Rs. in lakhs)

Particulars	Year ended31st March, 2023 Rs. in lakhs		Year ended31st March, 2022 Rs. in lakhs	
A. Cash flow from Operating Activities				
Net Profit before tax as per Statement of Profit and Loss.		5302.06		1564.28
Add/(Less):				
(Profit)/Loss on sale of Fixed assets	-		(113.73)	
Interest Income	(229.50)		(331.78)	
Provision for doubtful debts	-		117.30	
Provision for Export benefits receivable	-		42.01	
Provision for doubtful other advances	88.66		41.95	
Provision no longer required / Credit balances written back	(311.91)		(219.09)	
Depreciation and amortisation	2,022.14		2,131.48	
Write off of doubtful debts	103.54		30.86	
Government grant amortised	(68.71)		(68.71)	
Other Comprehensive Income	(1,917.36)		(827.23)	
Finance Costs	810.50	497.36	950.55	1,753.61
Operating Cash Profit Before Working Capital changes		**5,799.42**		**3,317.89**
Changes in working capital				
(Increase) / Decrease in Inventories	(5,649.54)		(7,661.16)	
(Increase) / Decrease in Trade Receivables	(291.66)		(3,127.28)	
(Increase) / Decrease in loans	(1.32)		(8.89)	
(Increase) / Decrease in Other Financial Assets	174.74		(27.58)	
(Increase) / Decrease in Other Assets	343.22		(678.50)	
Increase / (Decrease) in Trade Payables	4,393.25		9,905.69	
Increase / (Decrease) in Other Financial Liabilities	1,157.31		1,134.97	
Increase / (Decrease) in Other Liabilities	57.04		162.42	
Increase / (Decrease) in Short Term Provisions	296.55	479.59	301.09	0.76
Less: Direct Taxes paid (Net)		(1,005.12)		79.74
Net Cash inflow/(outflow) from operating activities (A)		**5,273.89**		**3,398.39**
B. Cash flow arising from Investing Activities				
Inflow				
Proceeds from Inter Corporate Deposit	1,000.00		1,500.00	
Loan repaid by Related Party	-		3,000.00	
Sale of fixed assets	12.15		213.00	
Interest income	231.45	1,243.60	315.81	5,028.81
Outflow				
Investment in Term Deposits with Banks	399.30		0.00	
Repayment of Loan to Related Party	-		(2,500.00)	
Loan to related party	-		(1,010.00)	
Acquisition of fixed assets	(221.63)	177.67	(141.06)	(3,651.06)
Net Cash inflow/(outflow) from investing activities (B)		**1,421.27**		**1,377.75**
C. Cash flow from Financing Activities				
Inflow				
New Loan from Bank	-		846.00	
Increase /(Decrease) in Working Capital Loan from Banks (Net)	(2,543.22)	(2,543.22)	2,142.43	2,988.43
Outflow				
Repayment of Term loan from bank	(3,291.97)		(2,727.79)	
Repayment of Lease Liabilities	(466.59)		(417.47)	
Finance Costs	(741.24)	(4,499.80)	(955.79)	(4,101.05)
Net cash inflow/(outflow) from Financing activities (C)		**(7,043.02)**		**(1,112.62)**
Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)		**(347.87)**		**3,663.52**
Add: Balance at the beginning of the year (Refer Note 8)		**4,533.45**		**869.93**
Cash and Cash equivalents at the close of the year (Refer Note 8)		**4,185.58**		**4,533.45**

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, 2023	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow (Repayments)/ Additions	Closing Balance
Long-term external borrowings	5,068.84	-	(3,291.97)	1,776.87

Year ended 31st March, 2022	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow (Repayments)/ Additions	Closing Balance
Long-term external borrowings	6,950.63	846.00	(2,727.79)	5,068.84

Year ended 31st March, 2023	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow Repayments	Closing Balance
Interest accrued on long term external borrowings	21.19	196.76	(204.26)	13.69

Year ended 31st March, 2022	Opening Balance	Non Cash /Accruals / Fair Value Changes	Cash Flow Repayments	Closing Balance
Interest accrued on long term external borrowings	14.29	214.96	(208.06)	21.19

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: 02nd May 2023

Sd/-
Amit Shrivastava
Director
DIN: 09837215

Sd/-
Manish Bharati
Director
DIN: 07531197

Silver Spark Apparel Limited
Consolidated Statement of Changes in Equity

(a) Equity Share capital

	Note	Amount
As at 31 March, 2023	13	896.43
As at 31 March, 2022		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, 2021	14	**566.31**	**3,803.55**	**6,062.40**	**(1,989.43)**	**8,442.83**
Changes in accounting policy or prior period errors		-	-	-	-	-
Restated balance at the beginning of the current reporting Period		**566.31**	**3,803.55**	6,062.40	(1,989.43)	8,442.83
Profit / (Loss) for the year		-	-	1,787.64	-	1,787.64
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		-	-	-	(788.86)	(788.86)
(Re-measurement of defined benefit plans)		-	-	(28.71)	-	(28.71)
Balance as at 31st March, 2022		**566.31**	**3,803.55**	**7,821.33**	**(2,778.29)**	**9,412.90**
Changes in accounting policy or prior period errors		-	-	-	-	-
Restated balance at the beginning of the current reporting Period		**566.31**	**3,803.55**	**7,821.33**	**(2,778.29)**	**9,412.90**
Profit / (Loss) for the year		-	-	4,275.76	-	4,275.76
Exchange differences on translating the financial statements of a foreign operation		-	-	-	(1,901.98)	(1,901.98)
Other Comprehensive Income for the year (Re-measurement of defined benefit plans)		-	-	(11.51)	-	(11.51)
Balance as at 31st March, 2023		**566.31**	**3,803.55**	**12,085.58**	**(4,680.27)**	**11,775.17**
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: 02nd May 2023

Sd/-
Amit Shrivastava
Director
DIN: 09837215

Sd/-
Manish Bharati
Director
DIN: 07531197

Silver Spark Apparel Limited

1 Statement of Significant Accounting Policies

I. Background

Silver Spark Apparel Limited (‘SSAL’ or ‘the Company’) and its subsidiaries (Company and its subsidiaries together referred to as the ‘Group’) carries on **business of manufacturing suits, jackets, shirts and formal trousers catering largely to global markets**. Silver Spark Apparel Limited is a wholly owned subsidiary of Raymond Limited marking the group's foray into Global Apparel Outsourcing market.

II. Significant accounting policies

a. Basis of preparation

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with of the Companies (Indian Accounting standards) Rules, 2015.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities that are measured at fair value;
2) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the company’s normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Recent accounting developments / pronuncements

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

(v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of schedule III, unless otherwise stated.

b. Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.
The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

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).

e. Intangible assets

i. Computer software

Computer software are stated at cost of acquisition, less accumulated amortisation and impairments, if any.

ii. Amortisation methods and periods

The Company amortises computer software with a finite useful life using the straight-line method over the period of 3 to 10 years.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

iii. Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

f. Lease

Company as a lessee

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been presented in the Balance Sheet as a part of Property, plant and equipment and lease payments have been classified as financing cash flows.

Company as a lessor

Lease income from operating leases where the company is lessor is recognised in income on straight line basis over the lease term.

g. Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional and shall be initially measured at their transaction price unless those contain a significant financing component.

1 **Statement of Significant Accounting Policies**

h. 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.

i. Cash flow

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

j. Inventories

Inventories of Raw Material, Work in Progress, Finished Goods and Stores & Spares are stated at 'Cost or Net realizable value whichever is lower'. Goods-in-transit are stated 'at cost'. Cost comprises all cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used is 'Weighted Average cost'. All the costs incurred on unfinished/finished jobs, but not invoiced and dispatched, under conversion contracts, are carried forward as "Accumulated Costs on Conversion Contracts" at cost or net realizable value whichever is lower. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on past experience of the Group.

k. Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

* Those to be measured subsequently at fair value either through other comprehensive income, or through profit or loss,
and
* Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this depend on the business model in which the investments are held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

All Financial Assets are initially recognized at fair value except for trade receivable which is measured initially at transaction cost. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Debt instruments:

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

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 Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

1. The Group has transferred the rights to receive cash flows from the financial asset or

2. Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income :

Interest income from debt instruments is recognised using the effective interest rate method.

Dividend

Dividend income is recognized if right to receive dividend is established by the reporting date.

1 Statement of Significant Accounting Policies

l. 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.

m. 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.

n. Current non-current Classification

All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

o. 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.

p. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

q. 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.

r. Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

1 **Statement of Significant Accounting Policies**

s. 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.

t. Provisions and Contingent Liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognise a contingent asset unless the recovery is virtually certain.

u. 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 towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract

Sale of goods

In case of domestic customer, generally performance obligation satisfied and transferred the control when goods are dispatched or delivery is handed over to transporter, in case of export customers, generally performance obligation satisfied and transferred the control, when goods are shipped onboard based on bill of lading.

Sales return

The Group recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

Revenue from services

Revenue from services is recognised in the accounting period in which the services are rendered.

Other operating revenue - Export incentives

Export Incentives under various schemes are accounted in the year of export.

Silver Spark Apparel Limited

1 Statement of Significant Accounting Policies

v. Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An acturail valution is obtained at the end of reproting period.The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and

(b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The net interest cost is calculated by actuary applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calcualted by acturay are recognised immediately in the Statement of Profit and Loss as past service cost.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fundetc., are charged to the Statement of Profit and Loss Account as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Group.The interest payable by the Trust is notified by the Government. The Group has an obligation to make good the shortfall, if any.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b)when the Group recognises costs for are structuring that is within the scope of Ind AS37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

1 Statement of Significant Accounting Policies

w. 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.

x. Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

y. Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable e to owners
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares .

1 Statement of Significant Accounting Policies

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.

z. Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

aa. Government Grant:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate and are deducted from the related expenses.

Government grants relating to the purchase of property, plant and equipment are included in non- current liabilities/current liabilities as deferred income and are credited to the Statement of profit and loss on a straight-line basis over the expected lives of the related assets and presented within other income.

III. Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of asets and liabilities within the next financial year, are described below:

Useful life of Property, Plant and Equipment including intangible asset: Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Taxes: The Group provides for tax considering the applicable tax regulations and based on probable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Group against which such assets can be utilized.

Defined benefit plans (gratuity benefits): The Group’s obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Export benefits receivables are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount or such assets may not be recoverable. If any such indications exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

Provisions and Contingent liabilities are reviewed at each balance sheet date and adjusted to reflect best estimate.

Silver Spark Apparel Limited
Notes to the consolidated financial statements

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, 2021	**85.71**	**2,522.53**	**949.76**	**24,401.76**	**487.06**	**631.60**	**185.34**	**29,263.76**	**49.50**
Additions	-	24.24	-	67.39	-	2.41	12.08	106.12	130.17
Disposals		-	-	-	-	214.70	-	214.70	95.05
Adjustment	-	-						-	
Balance as at 31st March, 2022	**85.71**	**2,546.77**	**949.76**	**24,469.15**	**487.06**	**419.31**	**197.42**	**29,155.18**	**84.62**
Additions	-	-	-	114.35	37.33	35.48	70.95	258.11	**165.56**
Disposals		-	-	-	11.91	4.54	-	16.45	**250.18**
Adjustment	-	-						-	
Balance as at 31st March, 2023	**85.71**	**2,546.77**	**949.76**	**24,583.50**	**512.48**	**450.25**	**268.37**	**29,396.84**	**(0.00)**
Accumulated Depreciation									
Balance as at 31st March, 2021	**-**	**627.74**	**921.33**	**6,544.96**	**265.17**	**350.79**	**127.18**	**8,837.19**	
Additions	-	88.58	0.14	1,254.04	55.44	77.15	16.75	1,492.10	
Impairment	-	-	-	-	-	-	-	-	
Disposals		-	-	-	-	115.43	-	115.43	
Adjustment		-						-	
Balance as at 31st March, 2022	**-**	**716.32**	**921.47**	**7,799.00**	**320.61**	**312.51**	**143.93**	**10,213.85**	
Additions	-	88.40	-	1,191.68	52.65	30.31	14.52	1,377.56	
Impairment	-	-	-	-	-	-	-	-	
Disposals		-	-	-	-	4.30	-	4.30	
Adjustment		-						**-**	
Balance as at 31st March, 2023	**-**	**804.72**	**921.47**	**8,990.68**	**373.26**	**338.52**	**158.45**	**11,587.11**	
Net Block									
Balance as at 31st March, 2023	**85.71**	**1,742.05**	**28.29**	**15,592.82**	**139.22**	**111.73**	**109.92**	**17,809.73**	**(0.00)**
Balance as at 31st March, 2022	**85.71**	**1,830.45**	**28.29**	**16,670.15**	**166.45**	**106.80**	**53.49**	**18,941.32**	**84.62**

(a) Refer Note 34 For information on property, plant and equipment pledged as security by the Company.
(b) Refer to note 35 for disclosure of contractual commitments for the acquisition of property, plant and equipment .

Silver Spark Apparel Limited

Notes to the consolidated financial statements

2B Capital work - in - progress

CWIP(2022-23)	Amount in CWIP for a period of				
	Less than 1 year	1-2 year	2-3 years	more than 3	Total
CWIP	-				-
					-
	-	-	-	-	-

CWIP(2021-22)	Amount in CWIP for a period of				
	Less than 1 year	1-2 year	2-3 years	more than 3	Total
CWIP	84.62	-	-	-	84.62
					-
	84.62	**-**	**-**	**-**	**84.62**

There in no time over due and cost over run

2C Right-of-use Asset (Rs in lakhs)

	Buildings	Total
Gross Carrying Amount :		
Balance as at 31st March, 2021	**313.11**	**313.11**
Additions	704.19	704.19
Disposals	44.67	44.67
Balance as at 31st March, 2022	**972.63**	**972.63**
Additions	622.95	622.95
Disposals	284.39	284.39
Balance as at 31st March, 2023	**1,311.19**	**1,311.19**
Accumulated Depreciation:		
Balance as at 31st March, 2021	**153.66**	**153.66**
Depreciation for the year	375.79	375.79
Deductions/Adjustments	44.67	44.67
Balance as at 31st March, 2022	**484.78**	**484.78**
Depreciation for the year	412.91	412.91
Deductions/Adjustments	284.35	284.35
Balance as at 31st March, 2023	**613.34**	**613.34**
Net Carrying Amount :		
Balance as at 31st March, 2023	**697.85**	**697.85**
Balance as at 31st March, 2022	**487.85**	**487.85**

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			
Balance as at 31th March, 2021	**944.20**	**944.20**	-
Additions	-	-	
Disposals	-	-	-
Balance as at 31st March, 2022	**944.20**	**944.20**	-
Additions	**56.63**	56.63	
Disposals	-	-	-
Balance as at 31st March, 2023	**1,000.83**	**1,000.83**	-
Accumulated Depreciation			
Balance as at 31st March, 2021	**367.60**	**367.60**	-
Additions	263.58	263.58	
Disposals	-	-	-
Balance as at 31st March, 2022	**631.18**	**631.18**	-
Additions	231.68	231.68	
Disposals	-	-	-
Balance as at 31st March, 2023	**862.86**	**862.86**	-
Net Block			
Balance as at 31st March, 2023	**137.97**	**137.97**	-
Balance as at 31st March, 2022	**313.02**	**313.02**	-

(a) Other than internally generated.
(b) Balance useful life as on 31st March 2023 ranges from 6 months to 5.5 years.

(Rs. in lakhs)

		As at 31st March, 2023	As at 31st March, 2022
4	**Other Financial assets**		
	(Unsecured, considered good)		
	Security Deposits with others	462.03	434.93
	Margin money deposits with bank*	308.22	308.22
	*(Held as lien by bank against bank guarantee)		
	Total	**770.25**	**743.15**

5 Other non-current assets

	As at 31st March, 2023	As at 31st March, 2022
Capital advances	(0.00)	8.82
Capital advances, considered doubtful	0.33	0.33
Less: Allowance for bad and doubtful assets	(0.33)	(0.33)
Prepaid Expenses - Deferred cost	-	1.45
Total	**(0.00)**	**10.27**

6 Inventories

	As at 31st March, 2023	As at 31st March, 2022
Raw Materials	9,561.50	9,718.36
Raw Material in Transit	1,204.08	2,083.61
Work-in-progress	234.45	197.18
Finished goods	8,876.97	5,104.88
Stock-in-trade	2,374.78	-
Stock-in-trade - In Transit	1,134.04	956.64
Stores and Spares	250.83	239.68
Accumulated cost on Conversion contracts		
Completed	430.08	122.35
In Process	33.42	27.91
Total	**24,100.15**	**18,450.61**

Refer Note 34 For information on assets pledged as security by the Company

7 Trade receivables

	(Rs. in lakhs)	
	As at 31st March, 2023	**As at 31st March, 2022**
Considered good		
Unsecured		
Related parties [Refer note 39]	4,083.21	2,947.93
Other parties [Refer note 46]	9,966.07	10,321.56
Considered doubtful		
Other parties	27.00	209.50
Less: Allowance for bad and doubtful debts	(27.00)	(209.50)
Total	**14,049.29**	**13,269.49**

Refer Note 34 For information on assets pledged as security by the Company

The movement in Allowance for bad and doubtful debts is as follows:

	As at 31st March, 2023	**As at 31st March, 2022**
Balance as at beginning of the year	209.50	291.48
Allowance for bad and doubtful debts during the year	-	117.30
Less: Trade receivables written off during the year(previous year provision)	182.50	61.93
Less: Provision no longer required	-	137.35
Balance as at the end of the year	**27.00**	**209.50**

Refer note 40 for information about credit risk and market risk of trade receivables.

2022-23	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed							
Related Parties	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Less:- Provision	-	-	-	-	-	-	-
Net Disputed(a)	-	-	-	-	-	-	-
Secured disputed	-	-	-	-	-	-	-
Unsecured Disputed	-	-	-	-	-	-	-
Undisputed							
Related Parties	2,204.00	1,879.21	-	-	-	-	4,083.21
Others	8,667.61	1,265.31	17.67	15.50	27.00	-	9,993.07
Less:- Provision	-	-	-	-	(27.00)	-	(27.00)
Net undisputed(b)	**10,871.62**	**3,144.52**	**17.67**	**15.50**	**(0.00)**	**-**	**14,049.29**
Total (a+b)	**10,871.62**	**3,144.52**	**17.67**	**15.50**	**(0.00)**	**-**	**14,049.29**
Secured undisputed	-	-	-	-	-	-	-
Unsecured Undisputed	**10,871.62**	**3,144.52**	**17.67**	**15.50**	**(0.00)**	**-**	**14,049.29**
Total Secured	-	-	-	-	-	-	-
Total Unsecured	**10,871.62**	**3,144.52**	**17.67**	**15.50**	**(0.00)**	**-**	**14,049.29**

2021-22	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed							
Related Parties	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Less:- Provision	-	-	-	-	-	-	-
Net Disputed(a)	-	-	-	-	-	-	-
Secured disputed	-	-	-	-	-	-	-
Unsecured Disputed	-	-	-	-	-	-	-
Undisputed							
Related Parties	1,990.55	745.39	34.78	52.94	124.26	-	2,947.93
Others	7,681.23	2,590.84	24.43	233.78	0.10	0.69	10,531.06
Less:- Provision	-	-	-	(208.70)	(0.10)	(0.69)	(209.50)
Net undisputed(b)	**9,671.78**	**3,336.23**	**59.21**	**78.02**	**124.26**	**-**	**13,269.49**
Total (a+b)	**9,671.78**	**3,336.23**	**59.21**	**78.02**	**124.26**	**-**	**13,269.49**
Secured undisputed	-	-	-	-	-	-	-
Unsecured Undisputed	**9,671.78**	**3,336.23**	**59.21**	**78.02**	**124.26**	**-**	**13,269.49**
Total Secured	-	-	-	-	-	-	-
Total Unsecured	**9,671.78**	**3,336.23**	**59.21**	**78.02**	**124.26**	**-**	**13,269.49**

8 Cash and cash equivalents

	As at 31st March, 2023	As at 31st March, 2022
Cash on hand	7.91	5.35
Balances with Banks		
In current accounts(Refer Note 47)	4,177.67	4,528.10
Term deposits with original maturity of less than three months	-	-
Total	**4,185.58**	**4,533.45**

Refer Note 34 For information on assets pledged as security by the Company

9 Bank Balances other than cash and cash equivalents

	As at 31st March, 2023	As at 31st March, 2022
Fixed deposits with banks	9.23	408.53
Total	**9.23**	**408.53**

10 Loans

	As at 31st March, 2023	As at 31st March, 2022
Loans to related parties (Refer Note 39)	10.01	1,009.39
Loans to employees	1.79	0.47
Total	**11.80**	**1,009.86**

2022-23

Loan Given to Related Party during the year	**Rs in Lakh**	**Rate of Interest**	**Terms**
No new loan given to Related Party in FY 22-23		NA	NA

2021-22

Loan Given to Related Party during the year	**Rs in Lakh**	**Rate of Interest**	**Terms**
Raymond Apparel Limited	3000.00	8.50%	270 days from date of availing the loan or on demand

11 Other financial assets

	As at 31st March, 2023	As at 31st March, 2022
Unsecured		
Considered good		
Export benefit receivables	28.95	141.07
Interest receivable	81.68	83.63
Derivative financial instruments	-	89.72
Export benefits receivable, considered doubtful	184.93	184.93
Less: Allowance for bad and doubtful assets	(184.93)	(184.93)
Interest Subsidy receivable, considered doubtful	92.24	92.24
Less: Allowance for bad and doubtful assets	(92.24)	(92.24)
Total	**110.63**	**314.42**

12 Other current assets

	As at 31st March, 2023	As at 31st March, 2022
Advances to Suppliers(Refer Note 47)	756.25	596.32
Balances with government authorities, considered good	1,195.50	1,594.60
Prepaid expenses - Deferred Cost	-	-
Prepaid expenses	226.24	75.41
Other advances	25.97	30.47
Other advances , considered doubtful	32.13	-
Less: Allowance for bad and doubtful advance	(32.13)	-
Advances to Suppliers, considered doubtful	92.65	36.13
Less: Allowance for bad and doubtful assets	(92.65)	(36.13)
Balances with government authorities, considered doubtful	27.54	27.54
Less: Allowance for bad and doubtful assets	(27.54)	(27.54)
Total	**2,203.96**	**2,296.81**

13 Equity Share capital

	As at 31st March, 2023	As at 31st March, 2022
	(Rs. in lakhs)	
Authorised		
4,00,00,000 [31st March, 2021: 4,00,00,000] Equity Shares of Rs.10 each		
1,000,000 [31st March,2021: 1,000,000] Preference Shares of Rs.100 each		
Issued, subscribed and fully paid up		
8,964,300 [31st March, 2021: 8,964,300] Equity Shares of Rs.10 each	896.43	896.43
	896.43	**896.43**

a) Reconciliation of number of shares

(Rs. in lakhs)

	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	89,64,300	896.43	89,64,300	896.43
Add: Share Issued during the year	-	-	-	-
Add: Changes in Equity Share Capital due to prior period errors	-	-	-	-
Add : Conversion of preference shares into equity share (Refer note below)	-	-	-	-
Balance at the end of the year	**89,64,300**	**896.43**	**89,64,300**	**896.43**

b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shares held by Parent and subsidiaries of Parent in aggregate

	As at 31st March, 2023	As at 31st March, 2022
	(Rs. in lakhs)	
Equity Shares of Rs. 10 each held by:		
8,964,300 Equity shares [March 31, 2021: 8,964,300 shares] held by Raymond Limited(along with nominees)	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, 2023		As at 31st March, 2022	
	%	No. of Shares	%	No. of Shares
Equity shares held by Raymond Limited(along with nominees)	100	89,64,300	100	89,64,300

14 Other equity

(Rs. in lakhs)

	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Exchange Differences	
Balance as at 31st March, 2021	**566.31**	**3,803.55**	**6,062.40**	**(1,989.43)**	**8,442.83**
Changes in accounting policy or prior period errors	**-**	**-**	**-**	**-**	**-**
Restated balance at the beginning of the current reporting Period	**566.31**	**3,803.55**	**6,062.40**	**(1,989.43)**	**8,442.83**
Profit for the year	-	-	1,787.64	-	1,787.64
Exchange differences on translating the financial statements of a foreign operation	-	-	-	(788.86)	(788.86)
Other Comprehensive Income for the year (Re-measurement of defined benefit plans)		-	-	(28.71)	(28.71)
	-	**-**	**1,787.64**	**(817.57)**	**970.07**
Balance as at 31st March, 2022	**566.31**	**3,803.55**	**7,850.04**	**(2,807.00)**	**9,412.90**
Changes in accounting policy or prior period errors	**-**	**-**	**-**	**-**	**-**
Restated balance at the beginning of the current reporting Period	**566.31**	**3,803.55**	**6,062.40**	**(1,989.43)**	**8,442.83**
Profit for the year	-	-	4,275.76	-	4,275.76
Exchange differences on translating the financial statements of a foreign operation	-	-	-	(1,901.98)	(1,901.98)
Other Comprehensive Income for the year (Re-measurement of defined benefit plans)		-	-	(11.51)	(11.51)
	-	**-**	**4,275.76**	**(1,913.49)**	**2,362.27**
Balance as at 31st March, 2023	**566.31**	**3,803.55**	**12,125.80**	**(4,720.49)**	**11,775.17**

15 Non-Current Borrowings

		(Rs. in lakhs)
	As at 31st March, 2023	**As at 31st March, 2022**
Secured		
Term Loan From banks	440.63	1,641.64
	440.63	**1,641.64**
Grand Total	**440.63**	**1,641.64**

16 Lease Liabilities

	As at 31st March, 2023	**As at 31st March, 2022**
Lease Liabilities	283.93	203.65
Total	**283.93**	**203.65**

Nature of Security and terms of repayment for Long Term secured

Nature of Security	**Terms of Repayment**
(i) Term loan amounting to Rs. 652.13 lakhs (Rs. 846 lakhs March 31,2022) is secured by extension of second ranking charge over existing primary and collateral securities including mortgages created in favour of the Bank and security created over the hypothecated assets.	48 monthly installment after morotorium, payment starting from May 2022. Rate of interest as at year end 8.40% (31st March,2022 :7.50%)
(ii) Term loan amounting to Rs. 1124.74 Lakhs (Rs. 4222.84 Lakhs March 31, 2022) is Secured by way of guarantee from Silver Spark Apparel Limited, India and short fall guaranteed by Raymond Limited, India.	Repayable in 19 installments which is due on various dates and Last installment is due on 19th Dec 2023. Rate of interest as at year end is 7.23% - 7.63% (31st March, 2022 : 2.71% - 3.47%).

Rate of interest is without considering interest subsidy under TUF scheme.
Note: Installment of loans falling due within next twelve months aggregating Rs. 1,336.24 Lakhs (Rs. 3,427.20 Lakhs March 31,2022) have been grouped under current maturities of long term debt. (Refer Note 21)

17 Other Non-current Liability

	As at 31st March, 2023	As at 31st March, 2022
		(Rs. in lakhs)
Govt. Grant relating to assets	581.71	650.42
Other liabilities	-	-
Total	**581.71**	**650.42**

Note:

1) Under the Government Scheme, the Company is entitled to subsidy, on its investment in the property plant and equipment, on fulfilment of the conditions stated in those Scheme. The subsidy being Government Grant is accounted as stated in the Accounting policy on Government Grant (Refer Note 1(z)). The Government Grant shown above represents unamortised amount of the subsidy referred to above, with the corresponding adjustment to the carrying amount of property, plant and equipment.

2) Export Promotion Capital Goods (EPCG) scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant (Refer Note 1(z)). The Government Grant shown above represents unamortised amount of the duty saved referred to above. Export obligation to be fulfilled subsequent to the reporting date, within the period allowed under the Scheme is disclosed in Note 36.

18 Current Borrowings

	As at 31st March, 2023	As at 31st March, 2022
		(Rs. in lakhs)
Secured		
(a) Loans repayable on demand from banks (Secured against first pari-passu charge on Stock, Receivables and Plant & Machinery and Guarantee)	7,952.10	10,495.32
b)Current maturities of long-term debt from banks (Refer Note 40)	1,336.24	3,427.20
Total	**9,288.34**	**13,922.52**

The carrying amount of financial and non-financial assets as security for secured borrowings are disclosed in Note 34

19 Lease Liabilities

	As at 31st March, 2023	As at 31st March, 2022
		(Rs. in lakhs)
Lease Liabilities	415.32	312.07
Total	**415.32**	**312.07**

20 Trade payables

	As at 31st March, 2023	As at 31st March, 2022
		(Rs. in lakhs)
Trade payables* [Refer note (a) below]		
Amounts due to Small enterprise and micro enterprise	84.30	195.59
Amounts due to related parties [Refer note 39]	22,566.65	16,575.01
Others [Refer note 46]	8,328.69	9,564.28
Total	**30,979.64**	**26,334.88**

*Includes Provision for Expenses

2022-23	**Not due**	**Less than 1 year**	**1- 2 year**	**2-3 years**	**More than 3 years**	**Total**
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
Related Parties	11,588.93	9,771.71	1,166.64	(170.14)	209.52	22,566.65
MSME	65.06	19.24	-	-	-	84.30
Others	5,034.73	2,979.99	33.12	64.37	216.49	8,328.70
Net undisputed(b)	**16,688.72**	**12,770.94**	**1,199.76**	**(105.77)**	**426.00**	**30,979.67**
Total (a+b)	**16,688.72**	**12,770.94**	**1,199.76**	**-105.77**	**426.00**	**30,979.67**

2021-22	**Not due**	**Less than 1 year**	**1- 2 year**	**2-3 years**	**More than 3 years**	**Total**
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
Related Parties	3,880.25	10,891.62	1,105.50	345.95	351.69	16,575.01
MSME	70.39	123.15	2.05	-	-	195.59
Others	2,809.25	6,402.44	128.04	138.00	86.54	9,564.28
Net undisputed(b)	**6,759.89**	**17,417.21**	**1,235.59**	**483.96**	**438.23**	**26,334.88**
Total (a+b)	**6,759.89**	**17,417.21**	**1,235.59**	**483.96**	**438.23**	**26,334.88**

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

	As at 31st March, 2023	As at 31st March, 2022
		(Rs. in lakhs)
a) The principal amount remaining unpaid to any supplier at the end of the year	84.30	195.59
b) Interest due remaining unpaid to any supplier at the end of the year	12.29	23.10
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	22.25	28.38
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

	As at 31st March, 2023	As at 31st March, 2022
		(Rs. in lakhs)
Interest accrued but not due on borrowings	48.16	31.35
Salary and Wages payable	4,646.53	3,813.29
Derivative financial instruments	-	-
Payable to related parties [Refer note 39]	2,026.30	1,637.41
Capital Creditors	12.00	76.83
Total	**6,733.00**	**5,558.88**

22 Other Current Liabilities

	As at 31st March, 2023	As at 31st March, 2022
		(Rs. in lakhs)
Advance from customers(Refer Note 46)	526.78	117.60
Statutory Dues	312.98	255.94
Govt Grant relating to assets	68.70	68.70
Total	**908.46**	**442.24**

23 Provisions

	As at 31st March, 2023	As at 31st March, 2022
		(Rs. in lakhs)
Provision for Gratuity [Refer Note 38]	1,083.32	927.89
Provision for Leave Entitlement	570.16	429.04
Total	**1,653.48**	**1,356.93**

24 Revenue from Operations

(Rs. in lakhs)

	Year ended 31st March, 2023	Year ended 31st March, 2022
Sale of Products		
Manufactured & Traded goods	87,156.83	57,079.90
Sales of Services		
(i) Job Work	4,344.47	4,669.09
Other operating revenue		
(i) Export Incentives, etc	1,715.71	620.37
(ii) Process waste sale	49.20	35.20
Total	**93,266.21**	**62,404.56**

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price :

	Year ended 31st March, 2023	Year ended 31st March, 2022
Contract Price	93,266.21	62,404.56
Less :		
Performance linked incentives / Discounts	-	-
	93,266.21	**62,404.56**

25 Other income

	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest income	229.50	331.78
Other Income(Subsidy towards wages)	-	223.10
Profit on sale of fixed asset	-	113.73
Excess Provision written Back	311.91	219.09
Government Grant	68.71	68.71
Other non-operating income	25.91	7.14
Exchange Fluctuation - Others	580.79	734.13
Recovery of Bad Debts	-	137.35
Total	**1,216.82**	**1,835.03**

26 Cost of materials consumed

	Year ended 31st March, 2023	Year ended 31st March, 2022
Raw materials consumed		
Opening Stock	9,718.36	4,780.46
Purchases	51,530.66	39,484.70
Less : Closing Stock	9,561.50	9,718.36
Total	**51,687.52**	**34,546.80**

27 Purchase of Stock in Trade

	Year ended 31st March, 2023	Year ended 31st March, 2022
Purchase of Stock in Trade	7,446.87	1,075.52
Total	**7,446.87**	**1,075.52**

28 Changes in inventories of finished goods, Stock-in-Trade and work-in progress

	Year ended 31st March, 2023	Year ended 31st March, 2022
Opening inventories		
Finished goods	5,104.88	4,390.51
Work-in-progress	197.18	134.80
Stock-in-trade	-	-
Accumulated cost of conversion contracts	150.26	389.76
	5,452.32	**4,915.07**
Closing inventories		
Finished goods	8,876.97	5,104.88
Work-in-progress	234.45	197.18
Stock-in-trade	2,374.78	-
Accumulated cost of conversion contracts	463.50	150.26
	11,949.70	**5,452.32**
Total	**(6,497.38)**	**(537.26)**

29 Employee benefits expense

	Year ended 31st March 2023	Year ended 31st March, 2022
Salaries and wages	16,705.49	11,763.17
Contribution to provident funds and other funds	1,295.27	819.70
Defined benefit plan expense [Refer note 38]	340.06	244.85
Workmen and Staff welfare expenses	1,462.20	820.68
Total	**19,803.02**	**13,648.40**

Silver Spark Apparel Limited

Notes to the consolidated financial statements

30 Finance costs

	Year ended 31st March 2023	Year ended 31st March, 2022
Interest expense on Term Loans (Net of interest subsidy under TUF Scheme of Rs.Nil Lakhs (Previous year Nil Lakhs))	196.76	214.96
Interest expense on bank overdraft/ short term borrowings	538.37	654.57
Interest on Lease Liability	52.45	57.18
Other borrowing costs	22.93	23.84
Total	**810.50**	**950.55**

31 Depreciation and amortization expense

	Year ended 31st March 2023	Year ended 31st March, 2022
Depreciation on Property, Plant and Equipment [Refer note 2A]	1,377.55	1,492.11
Amortization on Intangible assets [Refer note 3]	231.68	263.58
Depreciation on Right of use Assets [Refer note 2B]	412.91	375.79
Total	**2,022.14**	**2,131.48**

32 Other Expenses

32A. Manufacturing and Operating Costs

	Year ended 31st March 2023	Year ended 31st March, 2022
Consumption of stores and spare parts	1,504.78	1,175.12
Power and fuel	715.03	580.20
Job work charges	471.85	204.89
Repairs to buildings	352.71	195.82
Repairs to machinery	111.44	186.06
Other Manufacturing and Operating expenses	1,082.60	935.42
Total	**4,238.41**	**3,277.51**

32B. Other expenses

		Year ended 31st March 2023	Year ended 31st March, 2022
Rent (Refer note 37)		51.13	53.38
Insurance		212.85	151.60
Repairs & Maintainence Others		23.01	12.42
Rates and Taxes		155.51	178.05
Commission to selling agents		1,617.21	991.98
Freight, Octroi, etc		3,200.48	2,174.10
Legal and Professional Expenses		612.96	425.88
Travelling & Conveyance		326.37	229.96
Director Fees		2.00	1.00
Loss on sale of assets		0.24	-
Expenditure toward Corporate Social Responsibility (CSR) activities		2.00	23.01
Security Charges		253.86	256.25
IT Outsource Cost		57.86	61.06
Provision for Export Benefits receivable		-	42.01
Corporate facility charges		841.00	620.00
Bad Debts/Advances/Claims written off	286.04		
Less: Previous years Provision written back	182.50		
Bad Debts/Advances/Claims Written Off in current year		103.54	30.86
Provision for doubtful debts		-	117.30
Provision for doubtful assets		88.66	41.95
Miscellaneous Expenses		2,121.21	2,171.50
Total		**9,669.89**	**7,582.31**

A Details of Payments to Auditor (Included in Legal and Professional expenses) **(Rs. in lakhs)**

	Year ended 31st March 2023	Year ended 31st March, 2022
Audit Fees	29.50	25.00
Total	**29.50**	**25.00**

B Corporate social resposibility expenditure **(Rs. in lakhs)**

	Year ended 31st March 2023	Year ended 31st March, 2022
a) Gross amount required to be spent by the Company during the year	2.00	23.00
b) Amount spent during the year		
- In cash		
(i) Construction/acquisition of any asset		
(ii) On purposes other than (i) above	2.00	23.01
- Yet to be paid in cash		
(iii) Construction/acquisition of any asset		
(iv) On purposes other than (iii) above	-	-
c) Nature of CSR activities	Environment	Education,Health
d) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard :Contribution to Smt. Sulochanadevi Singhania School Trust in relation to CSR expenditure	-	12.26
Total	**2.00**	**23.00**

33 Income Taxes

Tax expense recognised in the Statement of Profit and Loss

(Rs. in lakhs)

	Year ended 31st March, 2023	Year ended 31st March, 2022
Current tax		
Current year	906.62	94.97
Total current tax	**906.62**	**94.97**
Deferred tax		
Origination and reversal of temporary difference	119.68	(318.33)
Change in tax rates	-	-
Total deferred income tax expense/(credit)	**119.68**	**(318.33)**
Total income tax expense/(credit)	**1,026.30**	**(223.36)**

A reconciliation between the statutory income tax rate applicable to the

(Rs. in lakhs)

Reconciliation of effective tax rate	Year ended 31st March, 2023	Year ended 31st March, 2022
Profit before Tax	5,302.06	1,564.28
Enacted income tax rate in India	25.170%	25.170%
Income tax expenses as per enacted rate	1,334.53	393.73
Differences due to:		
Income not considered for tax purpose	(17.53)	(18.30)
Profit of subsidiary on which tax is not considered	(349.68)	(638.44)
Difference in tax rates for certain entities of the Group	42.73	-
Stock reserve on inter company transactions	-	-
Reversal of excess asset created on tax loss	-	10.77
Share issuance expenses	-	-
Expenses not deductable for tax purpose	16.26	28.89
	1,026.30	**(223.35)**
Effective tax rate	**19.36%**	**-14.28%**

The movement in deferred tax assets and liabilities during the year ended March 31, 2022 and March 31, 2023:

Movement of Deferred Tax Liabilities during the year ended March 31, 2022 and March 31, 2023: **(Rs. in lakhs)**

Particulars	As at 31st March, 2022	Credit/(charge) in statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2023
Provision for post retirement benefits and other employee benefits	412.87	35.52	-	448.39
Provision for doubtful debts and advances	120.53	(23.62)	-	96.91
Deferred tax on acquisition of R&A Logistics INC.	11.76			11.76
Expenses allowable for tax purposes when paid	324.39	36.69	-	361.08
Carried Forward losses	(405.12)			(405.12)
Temporary difference in Leases	(46.83)	(0.53)	-	(47.36)
Depreciation	(1,463.45)	39.08	-	(1,424.37)
Loss on sale of Fixed assets	24.67	0.06		24.73
Deferred tax asset on R&A Logistics INC Loss	308.78	(206.87)	21.69	123.60
Fair value gains/losses	329.03	-	-	329.03
	(383.37)	(119.68)	21.69	(481.35)

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, 2023	As at 31st March, 2022
Current Assets		
Cash and cash equivalents	1,179.62	1,762.10
Receivables	16,754.17	16,373.25
Inventories	19,575.74	14,407.85
Total Current assets pledged as security	**37,509.53**	**32,543.20**
Non-Current Assets		
Movable Assets		
Plant and Machinery	9,522.47	10,210.00
Furniture & fixtures	68.19	47.20
Vehicles	78.04	60.77
Office equipment	82.19	19.86
Total non-current assets pledged as security	**9,750.89**	**10,337.83**
Total assets pledged as security	**47,260.42**	**42,881.03**

35 Contingent liabilities and commitments (to the extent not provided for)

(Rs. in lakhs)

	As at 31st March, 2023	As at 31st March, 2022
i) Contingent Liabilities		
Claims against the Group not acknowledged as debts in respect of past disputed liabilities.		
(a) ESIC	8.36	8.36
(b) Disputed Excise/Custom Duty	95.82	293.82
(c) Disputed demands in respect of Income-tax, etc. (Interest thereon not ascertainable at present) #	18.95	21.95
	123.13	324.13

The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under any law/ applicable accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

The Group has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

Future Cash Flows in respect of above are determinable only on receipt of judgements/decision pending with various authorities/forum.
The income tax authorities carried out search and seizure operations on the premises of the Company in the financial year 2011-12. On the basis of notice received under section 153 A of the IT Act, 1961, the Company had submitted returns of income and also provided the necessary details / informations.

The company has filed appeal with ITAT for Assessment Year 2009-10 to 2012-13, for the demand of disallowances of depreciation and related expenses to the extent of Rs. 10.73 lakhs and company has filed appeal with CIT for Assessment Year 2017-18 of Rs. 8.22 Lakhs

The Group did not have any contingent assets as at the year end.

36 Commitments

(a) Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

		(Rs. in lakhs)
	As at 31st March, 2023	**As at 31st March, 2022**
Property, plant and equipment	159.71	45.17
	159.71	**45.17**
Less: Capital advances	-	8.82
Net Capital commitments	**159.71**	**36.35**

(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	766.70	714.73
- Raw Materials	37,902.37	24,266.59
Total Other Commitments	**38,669.07**	**24,981.32**
Total Commitments	**38,828.78**	**25,017.67**

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	820.01
Leases of low value assets	-
Variable lease payments	-
Total	**820.01**

2 Additional profit or loss and cash flow information

Particulars	**2022-23**	**2021-22**
Total cash outflow in respect of leases in the year	465.50	417.47

3

Carrying amounts of lease liabilities and the movements during the year:	**2022-23**	**2021-22**
Opening Balance	515.72	181.94
Additions	596.59	694.07
Deletions	-	-
Accretion of interest	52.44	57.18
Payments	(465.50)	(417.47)
Closing Balance	699.25	515.72
Current	415.32	312.07
Non-current	283.93	203.65

4 **The undiscounted maturity analysis of lease liabilities at 31 March 2023 is as follows:**

Particulars	**As at 31st March, 2023**		**As at 31st March, 2022**	
	Lease payments	**Finance Charge**	**Lease payments**	**Finance Charge**
Within1 year	457.58	42.26	341.55	29.48
1-2years	205.77	15.73	201.39	9.00
2-3years	96.46	2.57	11.50	0.25
3-4years	-	-	-	-
4-5years	-	-	-	-
5-10years	-	-	-	-
10-25years	-	-	-	-
Over 25years	-	-	-	-
Total	**759.81**	**60.56**	**554.44**	**38.72**

38 Post retirement benefit plans

As per Actuarial Valuation as on 31st March, 2023 and 31st March, 2022 and recognised in the financial statements in respect of Employee Benefit Schemes (Gratuity):

A. Defined contribution plan:

The Group has defined contribution plan. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual or constructive obligation. The expense recognised during the year towards defined contribution plan is Rs.1295.27 Lakhs (31st March 2022: Rs.819.70 Lakhs).

B. Balance Sheet **(Rs. in lakhs)**

	Defined benefit plans	
	As at 31st March, 2023	As at 31st March, 2022
Present value of plan liabilities	1,226.49	1,041.03
Fair value of plan assets	143.18	113.15
Plan liability net of plan assets	1,083.31	927.88

C. Movements in plan assets and plan liabilities **(Rs. in lakhs)**

	Year ended 31st March, 2023		Year ended 31st March, 2022	
	Plan Assets	Plan liabilities	Plan Assets	Plan liabilities
As at 1st April	113.15	1,041.02	269.76	926.52
Current service cost	-	276.59	-	202.22
Obligation taken over during the year	-	-	-	-
Return on plan assets excluding amounts included in net	0.94	-	(3.52)	-
Difference in fair value of plan assets	-	-	-	-
Interest cost	7.74	71.21	17.51	60.13
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	-	0.14
Actuarial (gain)/loss arising from changes in financial assumptions	-	(55.11)	-	(30.37)
Actuarial (gain)/loss arising from experience adjustments	-	71.42	-	65.08
Employer contributions	200.00		-	
Transferred In/Acquisitions				
Benefit paid directly by the employer	-	-	-	(12.09)
Benefit payments	(178.65)	(178.65)	(170.60)	(170.60)
As at 31st March	143.18	1,226.47	113.15	1,041.02

The liabilities are based as per the plan participants as follows:
The weighted average duration of the defined benefit plans is 10 years (2021-22 : 10 Years)
The expected contribution to the funded plans in financial year 2023-24 : 933.87 Lacs (2022-23 : 688.27 Lacs)

D. Statement of Profit and Loss **(Rs. in lakhs)**

	Year ended 31st March, 2023	Year ended 31st March, 2022
Employee Benefit Expenses:		
Current service cost	276.59	202.22
Total	276.59	202.22
Finance cost/(income)	63.47	42.60
Net impact on the Profit / (Loss) before tax	340.06	244.84
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	0.94	(3.52)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	(0.14)
Actuarial gains/(losses) arising from changes in financial assumptions	55.11	30.37
Experience gains/(losses) arising on pension plan and other benefit plan liabilities	(71.42)	(65.08)
Net impact on the Other Comprehensive Income before tax	(15.37)	(38.37)

E. Assets

(Rs. in lakhs)

	As at 31st March, 2023	As at 31st March, 2022
Unquoted		
Insurer managed funds	143.18	113.15
Total	143.18	113.15

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, 2023	As at 31st March, 2022
Financial Assumptions		
Discount rate	6.84%	6.49%
Salary Escalation Rate	3% - 7.50%	3% - 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, 2023			Year ended 31st March, 2022		
	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%	(90.03)	103.52	1%	(78.82)	91.10
Salary Escalation Rate	1%	99.78	(88.58)	1%	87.55	(78.14)
Attrition Rate	1%	(10.24)	10.51	1%	(9.77)	10.42

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, 2023 as follows:

(Rs. in lakhs)

Year ending 31 March,	Defined benefit obligation	
	As at 31st March, 2023	As at 31st March, 2022
1st following year	84.01	73.41
2nd following year	89.52	80.58
3rd following year	107.90	82.92
4th following year	103.23	96.83
5th following year	119.28	89.80
Thereafter	550.32	428.92

39 Related Party Disclosures as per Ind As-24

	Ownership Interest 31st March 2023
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
Raymond (Europe) Limited
Raymond Luxury Cottons Limited.

c) Key Management Personnel and their enterprises where transactions have taken place:
Shri Harishkumar Hariprasad Chatterjee(resigned wef 02.03.2023)
Shri Krishnan Ashwath Narayan
Smt. Rashmi Mundada
Shri Vishal Bist
Shri Manish Bharati(wef 02.03.2023)
Shri Amit Shrivastava(wef 02.03.2023)

d) Joint Venture of holding company with whom transactions have taken place during the year :
Raymond UCO Denim Private Limited

e) Associate of holding company with whom transactions have taken place during the year :
Ray Global Consumer Trading Limited

f) Other Significant influences with whom transactions have taken place during the year :
JK Investor (Bombay) Limited

g) Trust
Silver Spark Apparel Limited Employees Gratuity Fund
Smt. Sulochanadevi Singhania School Trust

List of subsidiaries included in consolidation-
Name
1. Silver Spark Apparel Limited- India
2. Silver Spark Middle East (FZE) - The United Arab Emirates
3. Silver Spark Apparel Ethiopia PLC - Ethiopia
4. R & A Logistics, INC - The United States of America
5. Raymond America Apparel INC(w.e.f. 24th April, 2023) - The United States of America

Raymond Apparel Limited , Demerged Division was merged with Raymond Limited during the year 2021-22.The Company has shown transactions of previous year as transaction with Raymond Apparel Limited.

Silver Spark Apparel Limited
Notes to the consolidated financial statements

2. Transactions carried out with related parties referred in 1 above, in ordinary course of business:

(Rs. In Lakhs)

Nature of Transactions	**Referred in 1 (a) above**	**Referred in 1 (b) above**	**Referred in 1 (c) above**	**Referred in 1 (d) above**	**Referred in 1 (e) above**	**Referred in 1 (f) above**	**Referred in 1 (g) above**
Income							
Job Work charges							
Raymond Limited	611.76						
	(392.92)	-					-
Raymond (Europe) Limited		613.57					
		(225.24)					
Sales							
Raymond Limited	185.02						
	(0.52)						
Raymond (Europe) Limited		11786.60					
		(6341.12)					
Raymond Apparel Limited		-					
		(1371.66)					
Everblue Apparel Limited		-					
		(2.45)					
Export Script Sales							
Raymond Limited	380.66						
	(126.75)	-	-				-
Sale of Fixed Assets		-					
JK Investor (Bombay) Limited		-					
						-	
						213.00	
Other Income							
JK Investor (Bombay) Limited							
						-	
						4.26	
Raymond Limited	14.50						
	-						
Others reimbursement							
Raymond Limited	145.62						
	(13.74)						
Raymond Luxury Cottons Limited.		69.55					
		(40.99)					
Raymond (Europe) Limited		31.59					
		(19.52)					
	-	-	-				-
Purchase							
Raymond Limited	18,944.46						
	(12,746.54)						
Raymond Apparel Limited		-					
		(4.00)					
Raymond Luxury Cottons Limited.		3945.84					
		(1358.78)					
Everblue Apparel Limited		-					
		-					
Raymond UCO Denim Private Limited				338.82			
				(62.22)			
	-						

Nature of Transactions	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above	Referred in 1 (d) above	Referred in 1 (e) above	Referred in 1 (f) above	Referred in 1 (g) above
Expenses							
Rent							
Raymond Limited	180.00 (180.00)						
Avani Agricultural Farms Private Limited			- -				
Celebrations Apparel Limited		102.69 (102.69)					
Job Work charges							
Raymond Limited	16.45 -	- -					
Commission							
Raymond (Europe) Limited		917.72 (461.15)					
Compensation for rejection							
Raymond (Europe) Limited		73.78 -					
Corporate facility expenses							
Raymond Limited	841.00 (620.00)						
Others reimbursement							
Raymond Limited	183.25 (369.91)						
Motor Vehicle Repair							
JK Investor Bombay Limited						- (23.55)	
Deputation of staff							
Raymond Limited	- (98.05)	-					
Directors sitting fees:							
Rashmi Mundada	-	-	2.00 (1.00)				
Paid to Trust - Smt. Sulochanadevi Singhania School Trust	-	-	- -				- (12.26)
Paid to Trust - Employees Gratuity Fund contribution	-	-	-				200.00 -
Finance	-	-	-				-
Advances repaid							
Raymond (Europe) Ltd		189.53 (132.67)					
Unsecured Loan taken							
JK Investo Trade(India) Limited					- (1500.00)		
Unsecured Loan repaid							
Raymond UCO Denim Private Limited		- -		1000.00 -			
Unsecured Loan given							
Raymond UCO Denim Private Limited				- (1000.00)			
Ray Global Consumer Trading Limited					- (10.00)		
Unsecured Loan Repaid by							
Raymond Apparel Limited		- (3000.00)					
JK Investor (Bombay) Limited						- (1000.00)	
JK Investo Trade(India) Limited		-			- (1500.00)		
Interest Expense							
JK Investor Bombay Limited						- (71.26)	
JK Investo Trade(India) Limited					- (86.75)		
Interest Earned							
Raymond Apparel Limited		- (125.05)					
Raymond UCO Denim Private Limited				63.81 (43.08)			
Ray Global Consumer Trading Limited					0.85 (0.07)		

Previous year's figures are in bracket.

Silver Spark Apparel Limited
Notes to the consolidated financial statements

(Rs. In Lakhs)

	31st March'23	31st March'22
Outstandings :		
Payable		
Holding Company		
Raymond Limited	18,848.30	15,804.74
Fellow Subsidiaries		
Raymond (Europe) Limited	607.36	422.87
Raymond Luxury Cottons Limited.	2763.53	312.92
Other Significant influences		
JK Investor Bombay Limited	-	2.18
Joint Venture of holding company		
Raymond UCO Denim Private Limited	346.23	40.53
Other Payable		
Holding Company		
Raymond Limited	1785.82	1296.29
Fellow Subsidiaries		
Celebrations Apparel Limited	240.48	151.59
Receivable		
Holding Company		
Raymond Limited	700.97	612.93
Fellow Subsidiaries		
Raymond (Europe) Limited	3382.07	2165.55
Raymond Apparel Limited	-	169.46
Interest Receivable		
Associate of holding company		
Ray Global Consumer Trading Limited	0.77	0.06
Joint Venture of holding company		
Raymond UCO Denim Private Limited	-	6.50
Loans Given		
Associate of holding company		
Ray Global Consumer Trading Limited	10.00	10.00
Joint Venture of holding company		
Raymond UCO Denim Private Limited	-	1000.00
Advances received		
Fellow Subsidiaries		
Raymond (Europe) Limited	-	189.53
Deposit Given		
Fellow Subsidiaries		
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'23	As at 31st March'22
Borrowings bearing variable rate of interest	9,076.84	14,718.16

Interest rate sensitivity

A change of 50 bps in interest rates would have following impact on profit before tax

(Rs. in lakhs)

	2022-2023	2021-2022
50 bp increase- decrease in profits	(45.38)	(73.59)
50 bp decrease- Increase in profits	45.38	73.59

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,2023		As at 31st March,2022	
Forward contracts to sell USD	USD	-	USD	52.69
Forward contracts to sell EUR	EUR	-	EUR	-
Forward contracts to sell GBP	GBP	-	GBP	14.98
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, 2023

(Foreign Currency in lakhs)

Particulars	USD	EURO	HKD	JPY	GBP	AED
Trade payables	164.83	2.29	-	282.42	0.50	-
Trade receivable	131.68	16.08	-	281.47	29.51	-

As at 31st March, 2022

(Foreign Currency in lakhs)

Particulars	USD	EURO	HKD	JPY	GBP	SGD
Trade payables	97.68	0.34	-	108.15	1.19	7.29
Trade receivable	134.59	10.33	-	294.60	2.05	-

Foreign Currency Risk Sensitivity
A change of 1% in Foreign currency would have following Impact on profit before tax

(Rs. in lakhs)

	2022-2023		2021-2022	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	(27.26)	27.26	27.98	(27.98)
EURO	12.36	(12.36)	8.46	(8.46)
HKD	-	-	-	-
JPY	(0.01)	0.01	1.16	(1.16)
GBP	29.55	(29.55)	0.86	(0.86)
AED	-	-	(1.50)	1.50
SGD	-	-	-	-
Increase / (decrease) in profit or loss	14.64	(14.64)	36.96	(36.96)

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'23	As at 31st March'22
Not due	10,871.60	9,671.84
0-3 months	2,952.75	3,194.41
3-6 months	191.78	141.72
6 months to 12 months	17.67	59.21
beyond 12 months	15.51	202.31
Total	14,049.31	13,269.49

Movement in provisions of doubtful debts

(Rs. in lakhs)

	As at 31st March'23	As at 31st March'22
Opening provision	209.50	291.49
Add:- Additional provision made	-	117.29
Less:- Provision write off/ reversed	(182.50)	(61.93)
Less:- Recovery of Bad debts	-	(137.35)
Closing provisions	27.00	209.50

Silver Spark Apparel Limited
Notes to the consolidated financial statements

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'23			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long tern debt)	1,336.24	440.63	-	1,776.87
Short term borrowings	7,952.10	-	-	7,952.10
Expected Interest payable	159.35	8.17	-	167.52
Total	9,447.69	448.80	-	9,896.49

(Rs. in lakhs)

	As at 31st March'22			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long tern debt)	3,427.20	1,641.64	-	5,068.84
Short term borrowings	10,495.32	-	-	10,495.32
Expected Interest payable	130.27	69.46	-	199.73
Total	14,052.79	1,711.10	-	15,763.89

Maturity patterns of other Financial Liabilities

As at 31st March'23 (Rs. in lakhs)

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	14,310.87	10,239.16	4,070.20	-	-	28,620.23
Lease liabilities	-	111.90	98.90	204.52	283.93	699.25
Other Financial liability (Current and Non Current)	-	5,554.52	-	1,178.48	-	6,733.00
Total	14,310.87	15,905.58	4,169.10	1,383.00	283.93	36,052.48

As at 31st March'22 (Rs. in lakhs)

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	19,574.99	6,755.15	4.74	-	-	26,334.88
Lease liabilities	-	122.53	113.42	76.14	203.63	515.72
Other Financial liability (Current and Non Current)	336.22	4,222.51	-	1,000.15	-	5,558.88
Total	19,911.21	11,100.19	118.16	1,076.29	203.63	32,409.48

41 Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
The following methods and assumptions were used to estimate the fair values:
1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(Rs. in lakhs)

Financial Assets and Liabilities as at 31st March'2023				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	-	14,049.29	14,049.29	-	-	-	-	-	-	-	-	14,049.29	14,049.29
Cash and cash equivalents	-	4,185.58	4,185.58	-	-	-	-	-	-	-	-	4,185.58	4,185.58
Bank Balances other than Cash and Cash Equivalents	-	9.23	9.23	-	-	-	-	-	-	-	-	9.23	9.23
Loans	-	11.80	11.80	-	-	-	-	-	-	-	-	11.80	11.80
Other financial asset	770.25	110.63	880.88	-	-	308.22	308.22	-	-	-	-	572.66	880.88
	770.25	**18,366.53**	**19,136.78**	**-**	**-**	**308.22**	**308.22**	**-**	**-**	**-**	**-**	**18,828.56**	**19,136.78**
Financial Liabilities													
Borrowings	440.63	9,288.34	9,728.97	-	-	-	-	-	-	-	-	9,728.97	9,728.97
Trade Payables	-	30,979.64	30,979.64	-	-	-	-	-	-	-	-	30,979.64	30,979.64
Other Financial Liabilities	-	6,721.00	6,721.00	-	-	-	-	-	-	-	-	6,721.00	6,721.00
Lease Liability	283.93	415.32	699.25	-	-	-	-	-	-	-	-	699.25	699.25
Capital Creditors		12.00	12.00	-	-	-	-	-	-	-	-	12.00	12.00
	724.56	**47,416.30**	**48,140.86**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**48,140.86**	**48,140.86**

(Rs. in lakhs)

Financial Assets and Liabilities as at 31st March'2022				Routed through P & L				Routed through OCI				Carrying at amortised cost	Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets													
Trade Receivables	-	13,269.49	13,269.49	-	-	-	-	-	-	-	-	13,269.49	13,269.49
Cash and cash equivalents	-	4,533.45	4,533.45	-	-	-	-	-	-	-	-	4,533.45	4,533.45
Bank Balances other than Cash and Cash Equivalents	-	408.53	408.53	-	-	-	-	-	-	-	-	408.53	408.53
Loans	-	1,009.86	1,009.86	-	-	-	-	-	-	-	-	1,009.86	1,009.86
Other financial asset	743.15	224.70	967.85	-	-	308.22	308.22	-	-	-	-	659.63	967.85
Mark to market on derivative financial instruments*	-	89.72	89.72	-	89.72	-	89.72	-	-	-	-	-	89.72
	743.15	**19,535.75**	**20,278.90**	**-**	**89.72**	**308.22**	**397.94**	**-**	**-**	**-**	**-**	**19,880.96**	**20,278.90**
Financial Liabilities													
Borrowings	1,641.64	13,922.52	15,564.16	-	-	-	-	-	-	-	-	15,564.16	15,564.16
Trade Payables	-	25,146.29	25,146.29	-	-	-	-	-	-	-	-	25,146.29	25,146.29
Other Financial Liabilities	-	5,482.05	5,482.05	-	-	-	-	-	-	-	-	5,482.05	5,482.05
Lease Liability	203.65	312.07	515.72									515.72	515.72
Capital Creditors		76.83	76.83									76.83	76.83
	1,845.29	**44,939.76**	**46,785.05**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**46,785.05**	**46,785.05**

*** 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, 2023		As at 31st March, 2022	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Trade Receivables	14,049.29	14,049.29	13,269.49	13,269.49
Cash and cash equivalents	4,185.58	4,185.58	4,533.45	4,533.45
Bank Balances other than Cash and Cash Equivalents	9.23	9.23	408.53	408.53
Loans	11.80	11.80	1,009.86	1,009.86
Other financial asset	572.66	572.66	659.63	659.63
	18,828.56	**18,828.56**	**19,880.96**	**19,880.96**
Financial Liabilities				
Borrowings	9,728.97	9,728.97	15,564.16	15,564.16
Trade Payables	30,979.64	30,979.64	25,146.29	25,146.29
Other Financial Liabilities	6,733.00	6,733.00	5,558.88	5,558.88
Lease Liability	699.25	699.25	515.72	515.72
Capital Creditors	12.00	12.00	76.83	76.83
	48,152.86	**48,152.86**	**46,861.88**	**46,861.88**

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 Group aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.
The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

43 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity and net debt includes interest bearing loans and borrowings less current investments, cash and cash equivalents, other bank balances and interest accrued on current investments. The primary objective of the Grouop's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.
The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt, excluding discontinued operation.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

	Year ended 31st March, 2023	Year ended 31st March, 2022
Long term borrowings	440.63	1,641.64
Short term borrowings (Including current maturities of Long term borrowing)	9,288.34	13,922.52
Less : Cash and cash equivalents	4,185.58	4,533.45
Less : Bank balances other than cash and cash equivalents	9.23	408.53
Less : Current investments	-	-
Less : Interest receivable on current investments	-	-
Net debt	5,534.16	10,622.18
Total equity	12,671.60	10,309.34
Gearing ratio	0.44	1.03

To maintain or adjust the capital structure, the Group review the fund management at regular intervals and take necessary actions to maintain the requisite capital structure.
No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

44 Segment Information

The Group's business activity falls within a single primary business segment of manufacture of trousers and jackets. Accordingly, the group is a single segment group in accordance with Indian Accounting Standard 108 "Operating Segment". The Group has disclosed the segment information based on the location of customer and asset.

Summary of Segment Revenue and Segment assets **(Rs. in lakhs)**

Particulars	India		Rest of the world		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Segment Revenue *	5,110.26	4,906.94	88,155.95	57,497.62	93,266.21	62,404.56
Carrying cost of total segment assets**	37,235.21	35,485.71	27,202.26	25,630.24	64,437.47	61,115.95
Carrying cost of segment Non Current assets**@	12,691.58	13,351.91	6,304.99	6,737.69	18,996.57	20,089.60
Additions to Property, plant and equipments including Intangible Assets**	308.27	94.43	6.47	11.69	314.74	106.12

* 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	
	Year ended	Year ended
LI & FUNG Trading (Express)	13,609.17	14,530.67
Tailored Brands Worldwide Purchasing Co	-	4,392.49
JCpenney Purchasing Corparation	14,213.97	6,803.05
TMW Merchants LLC	20,808.72	12,366.41
Raymond (Europe) Limited	12,400.17	6,566.36
Total	**61,032.03**	**44,658.98**

45 **Other statutory information**

DETAILS OF BENAMI PROPERTY HELD

The Group does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

RELATIONSHIP WITH STRUCK OFF COMPANIES

The Group has got transactions/balances with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

Name Of Vendor	Nature of transaction	Transactions during the year March 31, 2023	Balance outstanding at the end of the year as at March 31, 2023	Relationship with the Struck off company, if any, to be disclosed
SAHARA CARGO PACKERS AND SHIFTERS PRIVATE LIMITED	Advance given	-	0.28	Vendor(Non related)
EVERGREEN SYSTEMS AND ENGINEERING PRIVATE LIMITED	Advance given	-	1.51	Vendor(Non related)

WILLFUL DEFAULTER

The Group has not been declared a willful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Group do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

The Group has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

UNDISCLOSED INCOME

The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

BORROWINGS OBTAINED ON THE BASIS OF SECURITY OF CURRENT ASSETS

For the borrowings secured against current assets ,the Group has filed Quarterly statements of current assets with the banks and the same are in agreement with the books of accounts.

UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

As on March 31, 2023 there is no unutilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.

REVALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The Group has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year

COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Group is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017

46 The Company has initiated the process of obtaining Balance confirmations and is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management is of the opinion the balances outstanding are correct and does not expect any material differences in the balances that would be affecting the current year's financial statements on receipt of the balance confirmations post the balance sheet date.

47 Previous year figures have been re-grouped/rearranged wherever necessary to conform to the current year's classification.

Silver Spark Apparel Limited
Notes to the consolidated financial statements

48 Earnings per share

	Year ended 31st March, 2023	**Year ended 31st March, 2022**
Earnings Per Share		
Profit/(Loss) for the year (Rs. in lakhs)	4,275.76	1,787.64
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	47.70	19.94
-Diluted	47.70	19.94

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/-
Amit Shrivastava
Director
DIN: 09837215

Sd/-
Manish Bharati
Director
DIN: 07531197

Place: Mumbai
Date: 02nd May 2023

TEN X REALTY LIMITED

ANNUAL REPORT 2022-23

BOARD OF DIRECTORS	:	SHRI HARMOHAN SAHNI SHRI SANDEEP MAHESHWARI SHRI VIJAY PATIL
STATUTORY AUDITORS	:	MESSRS CHATURVEDI & SHAH LLP, CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	JEKEGRAM, POKHARAN ROAD NO. 1, THANE – 400 606, MAHARASHTRA

TEN X REALTY LIMITED
(CIN: U70109MH2021PLC373916)

DIRECTORS' REPORT

To,
The Members
TEN X REALTY LIMITED

Your Directors take pleasure in presenting the Second Annual Report together with Audited Financial Statements for the period ended on March 31, 2023.

1. FINANCIAL SUMMARY AND HIGHLIGHTS OF PERFORMANCE

The revenue from operations of the Company for the financial year 2022-23 was Nil (Previous Year: NIL). The Company incurred a Loss after tax of Rs. 324.28 Lakhs (Previous Year: Loss after tax of Rs. 0.79 Lakhs) during the year under review.

2. DIVIDEND

In order to conserve the resources of the Company, your Directors do not recommend any dividend for the Financial Year 2022-2023.

3. RESERVES

Your Company has not transferred any amount to the General Reserves of the Company.

4. STATUTORY AUDITORS

Chaturvedi & Shah LLP, Chartered Accountants (Firm Registration no. 101720W / W100355), were appointed as the Statutory Auditors of the Company at the first Annual General Meeting ('AGM') held on June 12, 2022, for a term of five years commencing from the conclusion of the first AGM till the conclusion of the sixth AGM of the Company.

There has been no qualification, reservation or adverse remark made by the auditors in their audit report for the financial year ended March 31, 2023.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has adequate internal control and risk-mitigation system, which is constantly strengthened with new / revised standard operating procedures.

6. SHARE CAPITAL

During the financial year 2022-2023, the authorised share capital of the Company was increased from Rs. 10,00,000 (Rupees Ten Lakhs) divided into 1,00,000 (One Lakh) Equity Shares of Rs.10/- (Rupees Ten) each to Rs. 75,10,00,000 (Rupees Seventy Five Crores and Ten Lakhs) comprising:

- Rs. 10,00,000/- (Rupees Ten Lakhs) divided into 1,00,000 (One Lakh) Equity shares of Rs. 10/- (Rupees Ten) each; and
- Rs. 75,00,00,000/– (Rupees Seventy Five Crores) divided into 7,50,00,000 (Seven Crores and Fifty Lakhs) Preference Shares of Rs. 10/- (Rupees Ten) each.

The issued, subscribed and paid-up share capital of the Company as on March 31, 2023 stood at Rs. 5,00,000 (Rupees Five Lakhs) divided into 50,000 (Fifty Thousand) Equity Shares of Rs.10/- (Rupees Ten) each.

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 Harmohan Sahni (DIN: 00046068), Director of the Company retires by rotation at the forthcoming Annual General Meeting ('AGM') and, being eligible offers himself for re-appointment.

Profile of Director being re-appointed at the ensuing AGM, as required by Secretarial Standard- 2 on General Meetings, is given in the notice of the ensuing AGM. The above re-appointment forms part of the Notice of the ensuing AGM and the resolution is recommended for members' approval.

Your Board presently consists of following Directors:

S. No.	Name of the Director	Designation
1	Shri Harmohan Sahni	Non-Executive Director
2	Shri Sandeep Maheshwari	Non-Executive Director
3	Shri Vijay Patil	Non-Executive Director

10. MEETINGS

During the year, Seven Board Meetings were held as under and attendance of Board Members is given below:

Date of the Board Meeting	Attendance of the Directors		
	Shri Harmohan Sahni	Shri Sandeep Maheshwari	Shri Vijay Patil
13/05/2022	✓	✓	✓
14/06/2022	✓	✓	✓
29/07/2022	✓	✓	✓
25/08/2022	✓	✓	✓
13/10/2022	✓	✓	✓
30/11/2022	✓	✓	✓
19/01/2023	✓	✓	✓

11. COMPLIANCE WITH SECRETARIAL STANDARDS

In terms of Section 118(10) of the Companies Act, 2013, the Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Meetings of the Board of Directors and General Meetings.

12. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year 2022-2023 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.

13. RISK MANAGEMENT

The Company has adequate risk management measures which are implemented, developed, assessed, reviewed and strengthened from time to time.

14. 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.

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:

a. in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b. 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, 2023 and of the loss of the Company for the year ended on that date;
c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. the Directors have prepared the annual accounts on a going concern basis; and
e. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the Company has no manufacturing facility, information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, on conservation of energy, technology absorption and foreign exchange earnings & outgo is not applicable.

17. ANNUAL RETURN

As per Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and relevant Rules, as amended from time to time, every Company is required to place a copy of the annual return on the website of the Company, if any, and the web-link of such annual return shall be disclosed in the Board's report. Since the Company does not have a website, such provisions are not be applicable to the Company.

18. 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, 2023 is not applicable to the Company.

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 period and the date of this Report.

20. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Since the Company does not have required number of employees on its payroll, the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are not applicable to the Company.

21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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.

22. DISCLOSURES

No application has been made under the Insolvency and Bankruptcy Code. The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

23. RESIDUARY DISCLOSURES

During the year under review:

i. the Company has not issued equity shares with differential rights as to dividend, voting or otherwise. Hence, disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;

ii. the Company has not issued sweat equity shares to its employees. Hence, disclosure under Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;

iii. no Company has become or ceased to be its Subsidiaries, joint ventures or associate Companies. Hence, disclosure under Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is not applicable;

iv. provisions of Section 135 of the Companies Act, 2013 ('Act') is not applicable to the Company, hence disclosure under section 134(3)(o) of the Act is not applicable;

v. Company does not have any Independent Directors, hence disclosure under section 134(3)(d) of the Act is not applicable;

vi. Company does not fall under provisions of 178 of the Act, hence disclosure under section 134(3)(e) of the Act is not applicable;

vii. Company does not fall under provisions of Rule 8(4) of the Companies (Accounts) Rules, 2014, hence disclosure under section 134(3)(p) of the Act is not applicable;

viii. the provisions of Section 125(2) of the Act, do not apply as there was no unclaimed dividend in the previous years.

ix. there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable.

x. Company was not required to maintain the cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act were not applicable for the business activities carried out by the Company.

24. ACKNOWLEDGEMENT

The Directors extend their grateful appreciation for the co-operation, support and valuable guidance received from banks, government and other statutory authorities.

For and on behalf of the Board of Directors of
TEN X REALTY LIMITED

	Sd/-	Sd/-
	HARMOHAN SAHNI	**SANDEEP MAHESHWARI**
Mumbai	**DIRECTOR**	**DIRECTOR**
May 4, 2023	**DIN: 00046068**	**DIN: 08254851**

INDEPENDENT AUDITOR'S REPORT

To the Members of Ten X Realty Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ten X Realty Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, 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, 2023 and its loss (including other comprehensive income) , its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) prescribed under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements as per the ICAI's Code of Ethics and the provisions of the Companies Act, 2013 and Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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, 2023

b. The Company has no long term contracts including derivative contracts outstanding as on March 31, 2023.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d.

i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries

ii. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (i) and (ii) above contain any material misstatement.

iv. Proviso to Rule 3 (1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

e. The Company has not declared or paid any dividend during the year ended 31 March 2023.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Sd/-

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 23103418BGXVIK6554

Place: Mumbai
Date: 4th May 2023

Annexure A to Independent Auditor's Report – March 31, 2023

With reference to the 'Annexure A' referred to in the Independent Auditors' Report to the Members of **Ten X Realty Limited** ('the Company') on the financial statements for the year ended March 31, 2023, we report the following:

i.

a) (A) The Company has maintained record of property, plant and equipment. However, the Company do not have any right of use assets.

(B) The Company do not have any intangible assets, thus, this clause is not applicable for reporting.

b) As explained to us, Property, Plant & Equipment were physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such physical verification.

c) According to the information and explanations given to us and the records examined by us in respect of immovable properties disclosed as Property, Plant & Equipment in the form of temporary structure and it's not held in the name of the company.

d) According to information and explanations given to us and according to books of accounts and records examined by us, Company has not revalued its Property, Plant and Equipment during the year.

e) According to information & explanations and representation given to us by the management, no proceedings have been initiated or are pending against the Company as at 31st March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, reporting under Clause 3(i)(e) of the order is not applicable to the Company.

ii. In our opinion and according to the information and explanations provided to us inventory consists of expense incurred on real estate project, which is in primary stage and cannot be physically verified. Accordingly, reporting under clause 3(i) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

iii. In our opinion and according to the information and explanations provided to us, The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, The Company has not granted any loan or provided any guarantees or security to the parties covered under Section 185 of the Act and the company has not made investment hence, provision of Section 186 of the Act is not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from public and hence the directives issued by Reserve Bank of India and relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), the rules framed there under shall not apply. Accordingly, clause 3(v) of the Order is not applicable to the Company.

vi. According to the information and explanation given to us, pursuant to the rules made by The Central Government of India which does not specify the maintenance of cost record under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

vii. In respect of statutory dues:

(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute

viii. According to the information and explanations given to us and representation given to us by the management, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

ix.

(a) According to the information and explanations given to us, the Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at year end i.e. March 31, 2023, we report that short-term funds in the form of inter-corporate deposit from holding company to the extent of Rs. 1,043.32 lakhs have been used for long-term purposes including business loss amounting to Rs. 325 lakhs.

(e) In our opinion and according to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x.

(a) During the year the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi.

(a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company, accordingly, clause 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with the companies (Indian Accounting Standards) Rules, 2015.Further, the Company is not required to constitute an Audit Committee Under section 177 of the Act, and Accordingly, to this extent, clause 3(xiii) of the Order is not applicable to the Company.

xiv. According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi.

a) To the best of our and according to the information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.

c) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) Based on the information and explanations given to us and as represented by the management of the Company, the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

xvii. The Company has incurred cash losses during financial year covered by our audit and the immediately preceding financial year amounting to Rs. 319 Lakhs and Rs. 0.79 Lakhs, respectively.

xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, reporting under clause 3(xviii) of the order is not applicable to the company.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans as explained in Note No. 21 of financial statement related about the project in progress, future business plan and based on support letter from ultimate holding company, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us, The Company does not fulfil the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration Number: 101720W/ W100355

Sd/-

Lalit R. Mhalsekar.
Membership No.103418

UDIN: 23103418BGXVIK6554

Place: Mumbai
Date: 4th May 2023

Annexure B to Independent Auditor's Report – March 31, 2023 on the Financial Statements of Ten X Realty Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statement of Ten X Realty Limited ('the Company') as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to this financial statement and their operating effectiveness. Our audit of internal financial controls with reference to these financial statement included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to these standalone financial statement, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to these financial statements to future periods are subject to the risk that the internal financial controls with reference to these financial statement may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2023, 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: 23103418BGXVIK6554

Place: Mumbai
Date: 4th May 2023

TEN X REALTY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2023

	Particulars	Note No.	As at 31st March, 2023 (Rs. in lakhs)	As at 31st March, 2022 (Rs. in lakhs)
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Property, Plant and Equipment	2	23.25	-
	(b) Financial Assets		-	-
	(i) Investments		-	-
	(ii) Loans		-	-
	(c) Other Non-current Assets	3	700.00	-
2	**Current assets**			
	(a) Inventories	4	3,339.14	102.07
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Cash and cash equivalents	5	34.89	5.58
	(c) Other Current Assets	6	-	100.48
	TOTAL ASSETS		4,097.28	208.13
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	7	5.00	5.00
	b) Other equity			
	(i) Reserves & Surplus	8	-325.07	-0.79
	(ii) Other Reserves (OCI)		-	-
2	**Liabilities**			
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	9	4,150.00	-
	(ii) Trade Payables	10		
	(a) Total Outstanding dues of Micro and Small enterprises		11.12	-
	(b) Total Outstanding dues of other than Micro and Small enterprises		38.62	195.17
	(iii) Other Financial Liabilities	11	214.36	-
	(b) Other Current Liabilities	12	3.25	8.74
	TOTAL LIABILITIES		4,097.28	208.13
	Significant Accounting Policies	1		

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

For Ten X Realty Limited

Sd/-
Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 4th May 2023

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Sandeep Kumar Maheshwari
Director
DIN:08254851

TEN X REALTY LIMITED

Statement of Profit and Loss for the period ended 31st March, 2023

	Particulars	Note No.	Year ended 31st March, 2023 (Rs. in lakhs)	Year ended 31st March, 2022 (Rs. in lakhs)
I	Revenue from operations		-	-
	Other income		-	-
	Total Income		-	-
II	**Expenses:**			
	Cost of materials consumed		-	-
	Purchases of stock-in-trade		-	-
	Changes in inventories of finished goods, stock-in-trade, work-in-progress and property under development	13	(3,237.07)	(102.07)
	Finance costs	15	227.81	-
	Depreciation and amortisation	16	5.40	-
	Other expenses			
	(a) Cost towards development of property	14	3,237.07	102.07
	(b) Other expenses	17	91.08	0.79
	Total expenses		324.28	0.79
III	**Profit/(Loss) before tax (I - II)**		(324.28)	(0.79)
IV	**Tax expense**			
	Current tax		-	-
	Deferred tax charge/(credit)			
V	**Profit/ (Loss) after tax for the period (III - IV)**		(324.28)	(0.79)
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)**		(324.28)	(0.79)
VIII	**Earnings per equity share**			
	Basic		(648.56)	(1.58)
	Diluted		(648.56)	(1.58)

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

For Ten X Realty Limited

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Date : 4th May 2023

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Vijay Patil
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Cash Flow Statement for the period ended 31st March, 2023

	Period ended 31st March, 2023 (Rs. in lakhs) (Rs.)	Period ended 31st March, 2022 (Rs. in lakhs) (Rs.)
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and tax	(324.28)	(0.79)
<u>Adjustments for:</u>		
Add/(Deduct):	-	-
Operating profit before working capital changes		
<u>Adjustments for:</u>		
Increase in trade and other receivables	-	-
Increase in inventories	(3,237.07)	(102.07)
Increase in other current assets	(599.52)	(100.48)
Increase in trade payables	(145.44)	194.92
Increase in other current liabilities	208.87	8.99
Cash used in operations before Exceptional items	(4,097.43)	0.58
Exceptional items (net)	-	-
Cash used in operations	(4,097.43)	0.58
Direct taxes paid (net of refunds)	-	-
Net cash used in operating activities - [A]	(4,097.43)	0.58
CASH FLOW FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	-	-
Purchase of property, plant and equipment/ intangible assets	(23.25)	-
Net cash (used in)/ generated from investing activities - [B]	(23.25)	-
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceed from Issue of shares	-	5.00
Proceed from Inter Corporate Borrowings	4,150.00	-
Net cash generated from financing activities - [C]	4,150.00	5.00
Net increase in cash and cash equivalents - [A+B+C]	29.31	5.58
Add: Balance at the beginning	5.58	-
Cash/Cash Equivalent at the close of the period	34.89	5.58

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

For Ten X Realty Limited

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Membership No. 103418
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Date : 4th May 2023

Sd/-
Vijay Patil
Director
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Director
DIN:08254851

Ten X Realty Limited
Statement of Changes in Equity for the period ended 31st March, 2023

Statement of other equity

(Rs. in lakhs)

Particulars	Reserves & Surplus
Balance as at date of Incorporation	-
Add : loss for the period	-
Balance as at 31.03.2021	-
Add : loss for the period	(0.79)
Balance as at 31.03.2022	(0.79)
Add : loss for the period	(324.28)
Balance as at 31.03.2023	(325.07)

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

For Ten X Realty Limited

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Date : 4th May 2023

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Vijay Patil
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Sd/-
Sandeep Kumar Maheshwari
Director
DIN:08254851

Ten X Realty Limited

Note 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I. Background

Ten X Realty Limited (‘TXRL’ or ‘the Company’) having CIN U70109MH2021PLC373916 is incorporated on 24th December 2021. The Company is limited by Shares incoporated and domiciled in India and is primarily engaged in the business of Real Estate construction, development and other related activities.

II. Significant Accounting Policies followed by the Company

(a) Basis of preparation

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules,2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) certain financial assets and liabilities that are measured at fair value;
2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
3) defined benefit plans - plan assets measured at fair value;

(iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupee as per the requirement of Schedule III, unless otherwise stated.

(v) Comparative amounts

As the Company is incorporated during the year, there are no comparative amounts.

(vi) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

(b) Use of estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(d) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(e) Revenue recognition

Revenue from Real Estate property development is recognized over the period of time from the financial year in which Agreement to Sell is executed.

(f) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the discount rates for Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity and pension; and

(b) defined contribution plans such as provident fund etc.

Pension and gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Company. The interest payable by the Trust is notified by the Government. The Company has an obligation to make good the shortfall, if any.

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(g) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(h) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

III. Critical estimates and judgements -

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Ten X Realty Limited
Notes to the financial statements for the period ended 31st March, 2023

Note :- 2 - Property, Plant And Equipment (Rs in lakhs)

	Buildings	Electrical equipment	Total
Gross Carrying amount			
Balance as at 1st April, 2022	-	-	-
Additions *	27.42	1.23	28.65
Disposals	-	-	-
Reclassification	-	-	-
Balance as at 31st March, 2023	27.42	1.23	28.65
Accumulated Depreciation			
Balance as at 1st April, 2022	-	-	-
Additions	5.25	0.15	5.40
Disposals	-	-	-
Reclassification	-	-	-
Balance as at 31st March, 2023	5.25	0.15	5.40
Net carrying amount			
Balance as at 31st March, 2022	-	-	-
Balance as at 31st March, 2023	22.17	1.08	23.25

* Buildings Represents Porta cabin purchased at Site, classified as Temporary structure with useful life of 3 years.
* Electrical equipments Represents Air-conditioners purchased at Site, classified as Electrical equipments with useful life of 3 years.

Ten X Realty Limited

Notes to the financial statements for the period ended 31st March, 2023

Note 3 - Other non-current assets

Particulars	As at 31st March, 2023 (Rs. in lakhs)	As at 31st March, 2022 (Rs. in lakhs))
Secured Considered Good		
To Parties other than related		
Refundable deposits Refer Note (a) below	700.00	-
	700.00	-

a.1 Represents Refundable deposit forwarded by Ten X Realty Limited (TXRL) to CRD Realtors Pvt Limited (Developer) on execution of Binding Supplementary Term Sheet dated 18th January 2022 in respect to the redevelopment of the property being land admeasuring approximately 21,089 Sq.mtrs bearing Survey No 426 (part), CTS No 418 of Village Bandra (East), Nirmal nagar, Mumbai - 400051

a.2 Refundable deposit is secured against the Terms of development and shall be adjusted by TXRL against the Developer Revenue share.

Note 4 - Inventories

Particulars	As at 31st March, 2023 (Rs. in lakhs)	As at 31st March, 2022 (Rs. in lakhs))
Property under development*	3,339.14	102.07
Total:	3,339.14	102.07

* Represents expenses incurred towards Consultancy charges , Structural Occupancy charges & other approval cost in relation to the redevelopment of the property being land admeasuring approximately 21,089 Sq.mtrs bearing Survey No 426 (part), CTS No 418 of Village Bandra (East), Nirmal nagar, Mumbai - 400051

Note 5 - Cash and cash equivalent

Particulars	As at 31st March, 2023 (Rs. in lakhs)	As at 31st March, 2022 (Rs. in lakhs))
Balances with Banks		
In current accounts	34.89	5.58
Total	34.89	5.58

Note 6 - Other Current Assets

Particulars	As at 31st March, 2023 (Rs. in lakhs)	As at 31st March, 2022 (Rs. in lakhs))
Secured Considered Good		
To Parties other than related		
Refundable deposits	-	100.00
Others	-	0.48
	-	100.48

Ten X Realty Limited

Notes to the financial statements for the period ended 31st March, 2023

Note 7 - Equity

(Rs. in lakhs)

	As at 31st March , 2023	As at 31st March, 2022
Authorised		
1,00,000 Equity Shares of Rs.10 each	10.00	10.00
7,50,00,000 Preference Shares of Rs.10 each	7,500.00	-
Issued	-	-
50,000 Equity Shares of Rs.10 each	5.00	5.00
	-	-
Subscribed and fully paid up	-	-
50,000 Equity Shares of Rs.10 each	5.00	5.00
Total	5.00	5.00

a) **Reconciliation of number of shares**

	As at 31st March , 2023		As at 31st March, 2022	
	Number of shares	Amount (Rs. in lakhs)	Number of shares	Amount (Rs. in lakhs)
Equity Shares :				
Balance as at the beginning of the year	50,000	5.00		
Add: Share Issued during the year	-	-	50,000	5.00
Add : Conversion of preference shares into equity share	-	-	-	-
Balance at the end of the year	50,000	5.00	50,000	5.00

Current Reporting Period- Year ended March 23

	As at 31st March , 2023	
	Number of shares	Amount (Rs. in lakhs)
Equity Shares Capital :		
Balance as at the beginning of the current reporting year	50,000	5.00
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the period	50,000	5.00
Changes in equity share capital during the current year	-	-
Balance at the end of the period	50,000	5.00

Previous Reporting Period- Year ended March 22

	31st March, 2022	
	Number of shares	Amount (Rs. in lakhs)
Equity Shares Capital:		
Balance as at the beginning of the current reporting year	-	-
Add: Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the period	-	-
Changes in equity share capital during the current year	50,000	5.00
Balance at the end of the period	50,000	5.00

b) **Rights, preferences and restrictions attached to shares**

Equity shares: The Company has only one class of equity share having a par value of Rs 10 per share. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on show of hands, every member present in person shall have one vote and on a poll,the voting rights of members shall be in proportion to his share in the paid up equity share capital of the company. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Preference shares: During the year the Company has increased its Authorized Share Capital via Non Cumulative Redeemable Preference Shares (NCRPS). Non Cumulative Redeemable Preference Shares carries dividend of 0.01% and a preferential rights vis-à-vis equity shares of the company with respect to the payment of dividend & repayment of capital during winding up.

	As at 31st March , 2023	As at 31st March, 2022
Equity Shares of Rs. 10 each held by:		
50,000 Equity shares held by Raymond Lifestyle Limited (along with Nominees)	5.00	5.00
Preference Shares of Rs. 10 each held by:		
NIL	-	-

d) **Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

	31st March , 2023		As at 31st March, 2022	
	%	No. of Shares	%	No. of Shares
Equity shares held by Raymond Lifestyle Limited (along with Nominees)	100	50,000	100	50,000

e) **Shares held by Promoter Company at the end of the year**

Sr No	Promoter Name	No. of Shares	% of Total Shares	% change during the year
1	RAYMOND LIFESTYLE LIMITED (along with Nominees)	50,000	100%	-
TOTAL		50,000	100%	

Ten X Realty Limited
Notes to the financial statements for the period ended 31st March, 2023

Note 8 - Other Equity

Retained Earnings

Particulars	As at 31st March, 2023 (Rs. in lakhs) Reserves & Surplus
Balance as at 31.03.2022	(0.79)
Add : loss for the period	(324.28)
Balance as at 31.03.2023	(325.07)

Note 9 - Borrowings

Particulars	As at 31st March, 2023 (Rs. in lakhs)	As at 31st March, 2022 (Rs. in lakhs)
Inter-Corporate deposits*	4,150.00	-
Total	4,150.00	-

* Represents Inter-Corporate deposits placed by Raymond Ltd with Ten X Realty Limited, in accordance with resolution passed at Board meeting of Raymond Ltd held on December 28th 2021.

Note 10 - Trade Payables

Particulars	As at 31st March, 2023 (Rs. in lakhs)	As at 31st March, 2022 (Rs. in lakhs)
Trade payables		
Amounts due to micro and small enterprise	11.12	-
Amounts due to related parties (Refer note 18)	-	194.92
Others	38.62	0.25
Total	49.74	195.17

Trade Payable ageing as at 31st March, 2023

(Rs. In lakhs)

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed						
Related Parties	-	-	-	-	-	-
MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed(a)	-	-	-	-	-	-
Undisputed						
Related Parties	-	-	-	-	-	-
MSME	-	11.12	-	-	-	11.12
Others	-	38.62	-	-	-	38.62
Net undisputed(b)	-	49.74	-	-	-	49.74
Total (a+b)	-	49.74	-	-	-	49.74

Note 11 - Other financial liabilities

Particulars	As at 31st March, 2023 (Rs. in lakhs)	As at 31st March, 2022 (Rs. in lakhs)
Amounts payable to Related parties:		
Interest payable on ICB	205.03	-
Others:	-	-
Retention	9.34	-
Total	214.36	-

Note 12 - Other current liabilities

Statutory dues	3.25	8.74
Total	3.25	8.74

Note 13 - Changes in inventories of finished goods, stock-in-trade, work-in-progress and property under development

Particulars	As at 31st March, 2023 (Rs. in lakhs)	As at 31st March, 2022 (Rs. in lakhs)
Opening Inventories		
Property under development	102.07	-
	102.07	-
Closing Inventories		
Property under development	3,339.14	102.07
	3,339.14	102.07
Total:	(3,237.07)	(102.07)

Note 14 - Cost towards development of property

Particulars	As at 31st March, 2023 (Rs. in lakhs)	As at 31st March, 2022 (Rs. in lakhs)
Design, Architect and other consultancy charges	3,237.07	102.07
	3,237.07	102.07

Note 15 - Finance Costs

Particulars	As at 31st March, 2023 (Rs. in lakhs)	As at 31st March, 2022 (Rs. in lakhs)
Interest on Borrowings	227.81	-
Total	227.81	-

Note 16 - Depreciation and Amortisation

(Rs. In lakhs)

Particulars	31st March, 2023	31st March, 2022
Depreciation on Buildings	5.25	-
Depreciation on Electrical Equipments	0.15	-
Total	5.40	-

Note 17 - Other Expenses

(Rs. in lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Bank Charges	0.24	0.01
Audit fees	0.25	0.25
Professional Fees	10.18	-
Rates & taxes	72.28	-
Other expenses	8.13	0.53
Total	91.08	0.79

Note 18 - Related Party Disclosures as per Ind As-24:

1. Relationship

a) Holding Company

Raymond Limited (Ultimate Holding company)

Raymond Lifestyle Limited

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
Finance	
Unsecured Loan taken	
Raymond Limited	0.04
	-
Payable	-
Repayment- Trade payables	-
Raymond Limited	194.92
	-
Expenses	-
Interest Expense	-
Raymond Limited	205.03

Related Party Disclosures as per Ind As-24 (Rs. in lakhs)

	31st March'23	31st March'22
Outstandings :		
Unsecured Loan taken		
Holding Company		
Raymond Limited	4,150.00	-
Payable		
Holding Company	-	-
Raymond Limited	-	194.92
Interest Payable		
Holding Company	-	-
Raymond Limited	205.03	-
Equity share capital		
Holding Company	-	-
Raymond Lifestyle Limited	5.00	5.00

Note 19 - The ratios for the year ended March 31, 2023 are as follows :

		2022-23	Numerator	Denominator	Reasoning
1	Current Ratio(in times)	0.76	Current Assets	Current liabilities	Increase in current liabilities due to borrowings during the year
2	Debt-equity Ratio(in times)	-12.97	Total debt = (Long term borrowings including current maturities + current borrowings)	Equity = Issued Share capital + other equity	Increase in Borrowing during the year
3	Debt-Service Coverage Ratio(in times)	-0.40	Earnings available for debt service = Profit before tax - gain on disposal of discontinued operation + finance costs + Depreciation & amortisation expesnes	Debt service = Interest + Principal repayments	Increase in interest cost & increase in loss during the year
4	Return on equity Ratio(in%)	101.32%	Net profit after taxes	Total equity	Increase in loss due to increased cost
5	Inventory Turnover Ratio(in times)	NA	Cost of Goods Sold	Average Inventory	-
6	Trade Receivable Turnover Ratio(in times)	NA	Revenue from Sale of Products & Services	Average trade receivables	-
7	Trade Payable Turnover Ratio(in times)	27.27	Net purchases of goods = Purchase of Raw materials included in cost of raw material consumed + purchase of stock in trade	Average Trade payables	Increase in costs during the year
8	Net Capital Turnover Ratio(in%)	NA	Revenue from operations	Working capital = Current Assets - Current Liabilities	-
9	Net Profit Ratio (in%)	NA	Net profit after tax	Revenue from operations	-
10	Return on Capital Employed Ratio(in%)	101.32%	Earnings before interest & taxes (including other income)	Capital Employed = Total equity + Total debt	Increase in loss due to increased cost during the year
11	Return on Investment(in%)	NA	Income generated from invested funds	Current investment + Non current investments + other bank balances	-

Note 20 - Contingent liability

a. Foreseeable Losses :

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/applicable accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

b. Pending litigations :

The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

Note 21 - Going Concern concept

The Company has been incorporated & entered into Joint Development Agreement with CRD Realtors Pvt. Ltd. for the redevelopment of land area admeasuring approximately 21,089 Sq. mtrs bearing Survey No 426 (part), CTS No 418 of Village Bandra (East), Nirmal nagar, Mumbai – 400051 on 18th January 2022 which is in progress. Based on the future business plans & support from the ultimate holding company; the management believes that the Company will continue to operate as a going concern for the foreseeable future, realise its assets and meet all its liabilities as they fall due for payment, in the normal course of business.

Note 22 - Other Statutory information

a. Details of Benami Property held :

The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

b. Relationship with Struck Off companies :

The Company do not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

c. Wilful defaulter :

The company does not have any borrowings from banks and financial institutions or other lender (as defined under the Companies Act, 2013)or consortium thereof. In accordance with the guidelines on wilful defaulters issued by Reserve Bank of India. Accordingly, this clause is not applicable.

d. Registration of charges or Satisfaction with Registrar of companies

The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

e. Details of Crypto Currency or Virtual Currency

The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

f. The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g. Undisclosed Income

The Company has not executed any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

h. Borrowings obtained on the basis of Security of Current Assets

During the year, the company has not borrowed any funds and this clause is not applicable

i. Utilisation of Borrowed funds and Share premium

During the year, the company has not borrowed any funds and this clause is not applicable

j. Revalution of Property, Plant and Equipment and Intangible assets

The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year

k. Compliance with number of layers of companies

The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017

Ten X Realty Limited

Notes to the financial statements for the period ended 31st March, 2023

Note : 23 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'2023				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													
Cash and Cash equivalents	-	34.89	34.89	-	-	-	-	-	-	-	-	34.89	34.89
	-	34.89	34.89	-	-	-	-	-	-	-	-	34.89	34.89
Financial Liabilities													
Borrowings	-	4,150.00	4,150.00	-	-	-	-	-	-	-	-	4,150.00	4,150.00
Other Financial Liabilities	-	214.36	214.36	-	-	-	-	-	-	-	-	214.36	214.36
Trade Payables	-	49.74	49.74	-	-	-	-	-	-	-	-	49.74	49.74
	-	4,414.10	4,414.10	-	-	-	-	-	-	-	-	4,414.10	4,414.10

(Rs. in lakhs)

Financial Assets and Liabilities as at 31st March'2022				Routed through P & L				Routed through OCI				Carrying at amortised cost	Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets													
Other Assets													
Cash and Cash equivalents	-	5.58	5.58	-	-	-	-	-	-	-	-	5.58	5.58
	-	5.58	5.58	-	-	-	-	-	-	-	-	5.58	5.58
Financial Liabilities													
Trade Payables		195.17	195.17	-	-	-	-	-	-	-	-	195.17	195.17
	-	195.17	195.17	-	-	-	-	-	-	-	-	195.17	195.17

* Fair value has been considered based on confirmation from bank

Fair value of financial assets and liabilities measured at amortised cost - (Rs. in lakhs)

Financial Assets and Liabilities	As at 31st March, 2023		As at 31st March, 2022	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Cash and Cash equivalents	34.89	34.89	5.58	5.58
	34.89	34.89	5.58	5.58
Financial Liabilities				
Borrowings (Including Current maturities of long-term debt from Banks)	4,150.00	4,150.00	-	-
Other Financial Liabilities	214.36	214.36	-	-
Trade Payables	49.74	49.74	195.17	195.17
	4,414.10	4,414.10	195.17	195.17

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.

24 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

As Borrowing is at fixed rate of interest, there is no market risk - Interest rate risk .

Derivative instruments and unhedged foreign currency exposure - There is No derivative transtions.

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 , 2023			
	0-1 year	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long tern debt)		-	-	-
Short term borrowings	4,150.00	-	-	4,150.00
Total	4,150.00	-	-	4,150.00

	As at 31st March, 2022			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings (Including current maturity of long tern debt)	-	-	-	-
Short term borrowings	-	-	-	-
Total	-	-	-	-

Maturity patterns of other Financial Liabilities

As at 31st March , 2023 (Rs. in lakhs)

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable				49.74		49.74
Other Financial liability (Current and Non Current)	-		9.34	205.03		214.36
Total	-	-	9.34	254.76	-	264.10

As at 31st March, 2022 (Rs. in lakhs)

	Overdue	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payable	-	-	-	195.17	-	195.17
Other Financial liability (Current and Non Current)	-	-	-	-	-	-
Total	-	-	-	195.17	-	195.17

25 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.

26 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Company has not borrowed any loan from any Financial Institution, its borrowings include Intercorporate borrowings.

To maintain or adjust the capital structure, the Company review the fund management at regular intervals and take necessary actions

(Rs. in lakhs)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Long term borrowings	-	-
Short term borrowings (Including current maturities of Long term borrowing)	4,150.00	-
Less : Cash and cash equivalents	34.89	5.58
Less : Bank balances other than cash and cash equivalents	-	-
Less : Current investments	-	-
Less : Interest receivable on current investments	-	-
Net debt	4,115.11	(5.58)
Total equity	(320.07)	4.21
Gearing ratio	(12.86)	(1.32)

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants

Sd/-
Lalit R. Mhalsekar
Partner
Membership No. 103418
F. R. No. 101720W/ W100355
Mumbai.
Date : 4th May 2023

For Ten X Realty Limited

Sd/-
Vijay Patil
Director
DIN: 07173161

Sd/-
Sandeep Kumar Maheshwari
Director
DIN:08254851

Jaykayorg S.A.,
Neuchâtel

Financial Statement as on
December 31, 2022

Jaykayorg S.A., Neuchâtel

Balance sheet as at 31 December
(in Swiss francs)

Assets	2022	2021
Current assets		
Cash and cash equivalents	142,292	235,335
Trade receivables	563,016	684,113
Other current receivables due from group companies	211,346	100,000
Total current assets	**916,654**	**1,019,448**
Non-current assets		
Financial assets	2,494,284	2,393,833
Long-term receivables from group companies	*1,046,723*	*800,000*
Long-term investments with a quoted market price	*1,447,560*	*1,593,833*
Investments	275,500	275,500
Property, plant and equipment	819	819
Total non-current assets	**2,770,603**	**2,670,152**
Total assets	**3,687,257**	**3,689,600**

Liabilities	2022	2021
Short-term liabiities		
Accrued expenses and deferred income	8,501	19,621
Total short-term liabilities	8,501	**19,621**
Total Liabilities	**8,501**	**19,621**
Shareholderts' equity		
Share capital	50,000	50,000
Legal reserves from benefits	25,000	25,000
Profit brought forward	3,594,979	3,581,893
Profit for the year	8,777	13,086
Total shareholders' equity	**3,678,756**	**3,669,979**
Total Liabilities	**3,687,257**	**3,689,600**

Jaykayorg S.A., Neuchâtel

Profit and loss statement for the financial year
ended 31 December
(in Swiss francs)

	2022	2021
Commission received	409,012	187,062
Commission paid	-173,865	-92,680
Staff costs	-65,070	-55,721
Other operating expenses -	-105,776	-134,593
Marketing costs	*-73,905*	*-96,024*
Consultancy and development cost	*-19,871*	*-16,908*
Directors fees, accounting and audit	*-12,000*	*-21,662*
Depreciation and valuation adjustments to fixed assets	-	-547
Operating Result	**64,301**	**-96,480**
Financial income -	79,862	116,352
Profit on investment	*7,207*	*34,949*
Interest income	*67,015*	*60,595*
Exchange profit	*5,639*	*20,808*
Financial expenses -	-133,205	-6,786
Bank Charges	*-6,205*	*-6,786*
Loss on investment	*-127,000*	-
Profit before taxes	**10,958**	**13,086**
Direct taxes	-2,181	-
Profit for the year	**8,777**	**13,086**

Jaykayorg S.A., Neuchâtel

Retained earnings carried forward
(in Swiss francs)

	2022	2021
Retained earnings at the beginning of the period	3,594,979	3,581,893
Appropriations of retained earnings resolved by general meeting		
- Allocated to legal reserves	-	-
- Distributed to shareholders	-	-
Profit for the year	8,777	13,086
Retained earnings available to the general meeting	**3,603,756**	**3,594,979**

Motion of the board of directors on the allocation of retained earnings
(in Swiss francs)

	2022 Motion of the board of directors	**2021** Resolution of the general meeting
Retained earnings Available to the general meeting	**3,603,756**	**3,594,979**
Allocated to legal reserves	-	-
Distributed to shareholders	-	-
Carried forward	**3,603,756**	**3,594,979**

Notes to the 2022 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 CO, effective since 1 January 2013). Significant balance sheet items are accounted for as follows:

Trade receivables

Trade receivables and other short-term receivables are carried at their nominal value. There is no value correction on this part.

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.

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 2022 are used to cover the costs of the actity.

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

No depreciation was booked for 2022 with no significant impact on the financial statements.

The number of full-time equivalents did not exceed 10 on an annual average basis.

Equity participations

		2022		2021	
Name and legal form	Registered office	Capital	Votes	Capital	Votes
PT. Jayka Files Indonesia	Sidoarjo	332'000 RPH	15.20%	332'000 RPH	15.20%

Registered number: 00427594

RAYMOND (EUROPE) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

RAYMOND (EUROPE) LIMITED

COMPANY INFORMATION

Directors	G. H. Singhania M. Mishra
Company secretary	M. Mishra
Registered number	00427594
Registered office	Barratt House 341-349 Oxford Street London United Kingdom W1C 2JE
Independent auditors	Simmons Gainsford LLP Chartered Accountants & Statutory Auditors 14th Floor 33 Cavendish Square London W1G 0PW

RAYMOND (EUROPE) LIMITED

CONTENTS

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022.

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
After the lockdown market opened in a big way and we had a good run in 2022, sales were up by more than 100%. However due to some exceptional quality issues with one of the customers our gross margins were lower than normal. In 2023 market has stabilised and demand is not as good as 2022 however with gaining of new customers and more business with the existing ones we see a consistent business growth in coming years.

Foreign exchange risk
Foreign currency risk exposures arises primarily from trade receivables, trade payables and intercompany loans denominated in Euros and US Dollars.

Trade receivables
Trade receivables are managed in respect of credit and cash flow risk by regular review of customers' credit rating, continual communication with customers and regular monitoring of amounts outstanding and the age of debt.

Trade payables
Trade payables liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Financial key performance indicators

The key performance indicators of the company are turnover and gross profit margin. A brief analysis of these is shown below:

	2022	**2021**	**Variance**
	£	**£**	**%**
Turnover	17,416,755	5,563,335	213.10
Gross profit margin	10.53%	13.50%	

This report was approved by the board and signed on its behalf.

Mukesh Mishra

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M. Mishra
Director

Date: 9 May 2023

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

Principal activity

The principal activity of the company was sale of wholesale clothing.

Directors

The directors who served during the year were:

G. H. Singhania
V. P. Singhania (resigned 17 March 2022)
M. Mishra

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 judgments 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.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Simmons Gainsford LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

Mukesh Mishra

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M. Mishra
Director

Date: 9 May 2023

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 2022, 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 2022 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.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report and from the requirements to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In order to identify and assess the risks of material misstatements, including fraud and non-compliance with laws and regulations that could be expected to have a material impact on the financial statements, we have considered:

- the results of our enquiries of management and those charged with governance of their assessment of the risks of fraud and irregularities;
- the nature of the company, including its management structure and control systems (including the opportunity for management to override such controls);
- management’s incentives and opportunities for fraudulent manipulation of the financial statements including the company’s remuneration and bonus policies and performance targets; and
- the industry and environment in which it operates.

We also considered UK tax and pension legislation and laws and regulations relating to employment and the preparation and presentation of the financial statements such as the Companies Act 2006.

Based on this understanding we identified the following matters as being of significance to the entity:

- laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Company Law, tax and pension legislation and distributable profits legislation;
- the timing of the recognition of commercial income;
- compliance with legislation relating to health and safety and local employment law.
- management bias in selecting accounting policies and determining estimates;
- inappropriate journal entries;
- recoverability of debtors; and
- the requirement to impair stock and the amount of any such impairment.

We communicated the outcomes of these discussions and enquiries, as well as consideration as to where and how fraud may occur in the entity, to all engagement team members.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised:

- enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations;
- enquiries with the same concerning any actual or potential litigation or claims;

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAYMOND (EUROPE) LIMITED (CONTINUED)

- discussion with the same regarding any known or suspected instances of non-compliance with laws and regulation and fraud;
- assessment of matters reported to management and the result of the subsequent investigation;
- obtaining an understanding of the relevant controls during the period;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or crediting revenue or cash;
- accessing the recovery of debtors in the period since the balance sheet date and challenging assumptions made by management regarding the recovery of balances which remain outstanding;
- challenging key assumptions made by management in their assessment of any impairment to the carrying value of the stock
- reviewing the financial statements for compliance with the relevant disclosure requirements;
- performing analytical procedures to identify any unusual or unexpected relationships or unexpected movements in account balances which may be indicative of fraud;
- reviewing correspondence with HMRC; and
- evaluating the underlying business reasons for any unusual transactions;

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity’s controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Atulya Mehta

Atulya Mehta (Senior statutory auditor)

for and on behalf of
Simmons Gainsford LLP

Chartered Accountants
Statutory Auditors

14th Floor
33 Cavendish Square
London
W1G 0PW
Date: 9 May 2023

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Turnover	4	17,416,755	5,563,335
Cost of sales		(15,583,089)	(4,812,058)
Gross profit		1,833,666	751,277
Distribution costs		(794,122)	(163,911)
Administrative expenses		(988,171)	(625,072)
Other operating income		10,500	93,784
Operating profit	5	61,873	56,078
Interest receivable and similar income		4	2,455
Interest payable and similar expenses		(82,539)	(41,329)
(Loss)/profit before tax		(20,662)	17,204
Tax on (loss)/profit	9	8,296	(3,361)
(Loss)/profit for the year		(12,366)	13,843
Other comprehensive income for the year			

RAYMOND (EUROPE) LIMITED
REGISTERED NUMBER: 00427594

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note		2022 £		2021 £
Current assets					
Stocks	11	3,124,630		1,586,752	
Debtors: amounts falling due after more than one year	12	53,634		66,451	
Debtors: amounts falling due within one year	12	5,457,981		2,820,558	
Cash at bank and in hand	13	1,350,503		535,068	
		9,986,748		5,008,829	
Creditors: amounts falling due within one year	14	(8,539,342)		(3,704,014)	
Net current assets			1,447,406		1,304,815
Total assets less current liabilities			1,447,406		1,304,815
Creditors: amounts falling due after more than one year	15		(884,173)		(729,216)
Net assets			563,233		575,599
Capital and reserves					
Called up share capital			1,000		1,000
Profit and loss account			562,233		574,599
			563,233		575,599

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: 9 May 2023

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2021	1,000	560,756	561,756
Comprehensive income for the year			
Profit for the year	-	13,843	13,843
At 1 January 2022	1,000	574,599	575,599
Comprehensive income for the year			
Loss for the year	-	(12,366)	(12,366)
At 31 December 2022	1,000	562,233	563,233

The notes on pages 11 to 23 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 judgment 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 2022 and these financial statements may be obtained from Plot No. 156, No. 2, Village Zadagon, Ratnagiri 415612, (Maharashtra), India..

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Commission income is recognised only when the customer has paid for the goods supplied and the cash is received.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2. Accounting policies (continued)

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2. Accounting policies (continued)

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 6 years
Fixtures, fittings and equipment	- 4 - 10 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2. Accounting policies (continued)

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.13 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.15 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

3. Judgments 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:

	2022 £	2021 £
Clothing wholesale	16,318,903	5,160,535
Commissions receivable	1,097,852	402,800
	17,416,755	5,563,335

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	13,275,104	4,482,171
Rest of Europe	1,452,376	468,205
Rest of the world	2,689,275	612,959
	17,416,755	5,563,335

5. Operating profit

The operating profit is stated after charging:

	2022 £	2021 £
Exchange differences	85,678	15,228
Other operating lease rentals	159,384	133,922

6. Auditors' remuneration

During the year, the Company obtained the following services from the Company's auditors:

	2022 £	2021 £
Fees payable to the Company's auditors for the audit of the Company's financial statements	17,600	17,030

7. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2022 No.	2021 No.
Management	1	1
Marketing	1	2
Administrative	6	6
	8	9

8. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	118,750	85,000

The highest paid director received remuneration of £118,750 (2021 - £85,000).

9. Taxation

	2022 £	2021 £
Deferred tax		
Origination and reversal of timing differences	(8,296)	3,361
Total deferred tax	(8,296)	3,361

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
(Loss)/profit on ordinary activities before tax	(20,662)	17,204
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(3,925)	3,269
Effects of:		
Expenses adjustment	(222)	125
Capital allowances for year in excess of depreciation	(1,445)	(219)
Utilisation of tax losses	-	(3,175)
Deferred tax	(8,296)	3,361
Fixed asset profit on disposal	(1,995)	-
Unrelieved tax losses carried forward	7,587	-
Total tax charge for the year	(8,296)	3,361

Factors that may affect future tax charges

The Company has estimated tax losses of £69,139 (2021: £29,208) available to set off against future trading profits.

From 1 April 2023 a 25% Corporation Tax charge will be applied to all profits that exceed £250,000 which will therefore increase the Company's tax charge in the future. The deferred tax provision has been adjusted so that it is based on a 25% tax rate.

10. Tangible fixed assets

	Motor vehicles £	Fixtures, fittings & equipment £	Total £
Cost or valuation			
At 1 January 2022	43,885	98,176	142,061
Disposals	(43,885)	-	(43,885)
At 31 December 2022	-	98,176	98,176
Depreciation			
At 1 January 2022	43,885	98,176	142,061
Disposals	(43,885)	-	(43,885)
At 31 December 2022	-	98,176	98,176
Net book value			
At 31 December 2022	-	-	-
At 31 December 2021	-	-	-

11. Stocks

	2022 £	2021 £
Raw materials and consumables	740,518	461,400
Finished goods and goods for resale	2,384,112	1,125,352
	3,124,630	1,586,752

12. Debtors

	2022 £	2021 £
Due after more than one year		
Trade debtors	28,922	41,739
Other debtors	24,712	24,712

12. Debtors (continued)

	53,634	66,451

	2022 £	2021 £
Due within one year		
Trade debtors	4,575,788	2,382,604
Amounts owed by group undertakings	-	221,016
Other debtors	364,391	66,449
Prepayments and accrued income	500,517	141,500
Deferred taxation	17,285	8,989
	5,457,981	2,820,558

13. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	1,350,503	535,068
Less: bank overdrafts	(55,065)	(130,678)
	1,295,438	404,390

14. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank overdrafts	55,065	130,678
Trade creditors	6,143,248	2,239,561
Amounts owed to group undertakings	107,674	27,294
Corporation tax	52	-
Other taxation and social security	890,796	227,439
Other creditors	29,996	52,692
Accruals and deferred income	1,312,511	1,026,350
	8,539,342	3,704,014

The bank overdraft of £55,065 (2021: £130,678) is secured by way of floating charge over the assets of the Company.

15. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Amounts owed to group undertakings	884,173	729,216

16. Deferred taxation

	2022 £	2021 £
At beginning of year	8,989	12,350
Charged to profit or loss	8,296	(3,361)
At end of year	17,285	8,989

The deferred tax asset is made up as follows:

	2022 £	2021 £
Timing differences arising from depreciation claimed in excess of capital allowances	-	3,440
Tax losses carried forward	17,285	5,549
	17,285	8,989

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 £3,551 (2021 - £3,041). Contributions totalling £8 (2021 - £1,173) were payable to the fund at the balance sheet date and are included in creditors.

18. Commitments under operating leases

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	103,644	54,075
Later than 1 year and not later than 5 years	432,600	419,081
Later than 5 years	360,500	468,650
	896,744	941,806

19. Related party transactions

The company has taken advantage of the exemptions available in Financial Reporting Standard 102, whereby it has not disclosed transactions with the immediate parent company or any wholly owned subsidiary undertaking of the group.

Included in other debtors there is the amount of £1,064 (2021: £1,064) 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 2022

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Turnover		17,416,755	5,563,335
Cost Of Sales		(15,583,089)	(4,812,058)
Gross profit		1,833,666	751,277
Other operating income		10,500	93,784
Less: overheads			
Selling and distribution expenses		(794,122)	(163,911)
Administration expenses		(988,171)	(625,072)
Operating profit		61,873	56,078
Interest receivable		4	2,455
Interest payable		(82,539)	(41,329)
Tax on (loss)/profit on ordinary activities		8,296	(3,361)
(Loss)/Profit for the year		(12,366)	13,843

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	£	£
Turnover		
Sales - Domestic	13,275,104	4,482,171
Sales - Other EU	786,878	326,705
Sales - Rest of world	1,591,423	210,159
Commissions receivable - Other EU	665,498	141,500
Commissions receivable - Rest of world	1,097,852	402,800
	17,416,755	5,563,335

	2022	2021
	£	£
Cost of sales		
Opening stocks and work in progress	1,586,752	506,797
Closing stocks and work in progress	(3,124,630)	(1,586,752)
Purchases	15,906,141	5,555,109
Commissions payable	1,017,991	320,566
Discount allowed	196,835	16,338
	15,583,089	4,812,058

	2022	2021
	£	£
Other operating income		
Government grants receivable	-	93,784
Profit on disposal of fixed assets	10,500	-

	2022	2021
	£	£
Selling and distribution expenses		
Promotion	173,578	72,805
Commission	26,700	1,131
Carriage	593,844	89,975
	794,122	163,911

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Administration expenses		
Directors salaries	118,750	85,000
Staff salaries	175,708	150,816
Staff national insurance	33,887	19,529
Staff pension current service costs (DC)	3,551	3,041
Motor running costs	4,880	13,306
Hotels, travel and subsistence	108,206	35,833
Consultancy	86,239	-
Printing and stationery	3,865	4,200
Telephone and fax	9,999	10,463
Computer costs	15,866	13,054
Trade subscriptions	7,652	7,618
Legal and professional	613	3,691
Auditors' remuneration	17,606	17,030
Auditors' remuneration - non-audit	3,964	11,081
Bank charges	21,111	6,883
Difference on foreign exchange	85,678	15,228
Sundry expenses	29,158	19,754
Rent - operating leases	159,384	133,922
Rates	63,011	39,503
Light and heat	3,315	2,159
Cleaning	2,041	633
Insurances	17,256	15,954
Repairs and maintenance	16,431	9,174
Recruitment cost	-	7,200
	988,171	625,072

	2022 £	2021 £
Interest receivable		
Bank interest receivable	4	2,455

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Interest payable		
Bank overdraft interest payable	32,539	-
Other interest	50,000	41,329
	82,539	41,329

AUDITOR'S REPORT
ON
FINANCIAL STATEMENTS
OF
Raymond Lifestyle (Bangladesh)
Private Limited
FOR THE YEAR ENDED JUNE 30, 2022

Hoque Bhattacharjee Das & Co.
Chartered Accountants

an independent member of XLNC

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 comprise the Statement of Financial Position as at 30 June 2022, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows for the period then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at 30 June 2022 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 for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 require the management to ensure effective internal audit, internal control and risk management functions of the company.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process.

Dhaka Office:
Cosmic Tower (9th Floor), 106/Ka Naya Paltan, Box Culvert Road, Dhaka 1000, Bangladesh. Tel: +880 (2) 9355401, Fax: + 880 (2) 9355407

Chattogram Office:
Meera Bhaban (3rd Floor), 1670, Sk Mujib Road (In front of BADC Bhaban) Goshaildanga, Agrabad C/A, Chottagram-4100.

Email: info@hbdco.org | Website: www.hbdco.org

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Hoque Bhattacharjee Das & Co. Chartered Accountants Dhaka
2

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: 10 OCT 2022
Dhaka, Bangladesh
DVC: 2210100824AS743696

Hoque Bhattacharjee Das & Co.
Chartered Accountants
Signed by
Avijit Bhattacharjee, FCA
Partner
Enrollment No. 824

Hoque Bhattacharjee Das & Co. Dhaka Chartered Accountants

3

Raymond Lifestyle (Bangladesh) Private Limited
Statement of Financial Position
As at 30 June 2022

In Taka	Notes	30 June 2022	30 June 2021
ASSETS			
Non-current assets		-	-
Cash and cash equivalents	4	16,70,988	50,27,320
Current assets		16,70,988	50,27,320
TOTAL ASSETS		**16,70,988**	**50,27,320**
EQUITY AND LIABILITIES			
Share capital	5	50,00,000	50,00,000
Retained earnings	6	(41,36,483)	(38,24,248)
Shareholders' equity		**8,63,517**	**11,75,752**
Current Liabilities	7	8,07,471	38,51,568
Liabilities		**8,07,471**	**38,51,568**
TOTAL EQUITY AND LIABILITIES		**16,70,988**	**50,27,320**

Signed in terms of our separate report of even date annexed

Raymond Lifestyle (Bangladesh) Pvt. Ltd
Director

Raymond Lifestyle (Bangladesh) Pvt. Ltd
Director

10 OCT 2022

Date:
Dhaka, Bangladesh
DVC:
2210100824AS743606

Hoque Bhattacharjee Das & Co.
Chartered Accountants
Signed by
Avijit Bhattacharjee, FCA
Partner
Enrollment no.: 824

Hoque Bhattacharjee Das & Co. Dhaka Chartered Accountants

Raymond Lifestyle (Bangladesh) Private Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2022

In Taka	Notes	2021-2022	2020-2021
Revenue income		-	-
Less: Cost of goods sold		-	-
Gross profit/(Loss)		-	-
Administrative expenses	8	3,12,235	3,43,218
Net Operating profit/(Loss)		(3,12,235)	(3,43,218)
Other income		-	-
Net profit/(loss) before tax		(3,12,235)	(3,43,218)
Less: Income tax provision			
Net profit/(loss) after tax		(3,12,235)	(3,43,218)

Signed in terms of our separate report of even date annexed

Raymond Lifestyle (Bangladesh) Pvt. Ltd
Director

Raymond Lifestyle (Bangladesh) Pvt. Ltd
Pankaj Saxena
Director

10 OCT 2022

Date:
Dhaka, Bangladesh
DVC: 2210100824AS743696

Hoque Bhattacharjee Das & Co.
Chartered Accountants
Signed by
Avijit Bhattacharjee, FCA
Partner
Enrollment no.: 824

Hoque Bhattacharjee Das & Co. Dhaka Chartered Accountants

Raymond Lifestyle (Bangladesh) Private Limited
Statement of Changes in Equity
For the year ended 30 June 2022

In taka	Share capital	Share money deposits	Retained earnings	Total
Balance as on 30 June 2021	50,00,000	-	(38,24,248)	11,75,752
Share capital	-	-	-	-
Share money deposits	-	-	-	-
Net profit/Loss during the period	-	-	(3,12,235)	(3,12,235)
Balance as on 30 June 2022	**50,00,000**	-	**(41,36,483)**	**8,63,517**

Signed in terms of our separate report of even date annexed

Raymond Lifestyle (Bangladesh) Pvt. Ltd
Director

Raymond Lifestyle (Bangladesh) Pvt. Ltd
Pankaj Saxena
Director

10 OCT 2022

Date:
Dhaka, Bangladesh
DVC:
2210100824AS743696

Hoque Bhattacharjee Das & Co.
Chartered Accountants
Signed by
Avijit Bhattacharjee, FCA
Partner
Enrollment no.: 824

Hoque Bhattacharjee Das & Co. Chartered Accountants Dhaka

Raymond Lifestyle (Bangladesh) Private Limited
Statement of Cash Flows
For the year ended 30 June 2022

In taka	2021-22	2020-21
A. Cash flows from operating activities	Taka	Taka
Net profit/(loss) before tax	(3,12,235)	(3,43,218)
Operating gain before changes in working capital	(3,12,235)	(3,43,218)
Changes in working capital		
Increase/(decrease) in liabilities	(30,44,097)	3,35,838
Net cash flows by operating activities	(33,56,332)	(7,380)
B. Cash flows from investing activities		
Increase in Preliminary expenses	-	-
Net cash used in investing activities	-	-
C. Cash flows from financing activities		
Increase in capital	-	-
Share capital	-	-
Net cash flows from financing activities	-	-
D. Net cash flow (A+B+C)	(33,56,332)	(7,380)
Cash and cash equivalents at beginning of the period	50,27,320	50,34,700
E. Cash and cash equivalents at end of the period	16,70,988	50,27,320

These financial statements should be read in conjunction with annexed notes

Raymond Lifestyle (Bangladesh) Pvt. Ltd
Director

Raymond Lifestyle (Bangladesh) Pvt. Ltd
Pankaj Saxena
Director
Director

10 OCT 2022
Date:
Dhaka, Bangladesh
DVC: 2210100824AS743696

Hoque Bhattacharjee Das & Co.
Chartered Accountants
Signed by
Avijit Bhattacharjee, FCA
Partner
Enrollment no.: 824

Hoque Bhattacharjee Das & Co. Dhaka Chartered Accountants

Raymond Lifestyle (Bangladesh) Private Limited
Notes to the Financial Statements
For the year ended 30 June 2022

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, woolen spinners, worsted stuff, cotton spinners and doublers, flax, hemp and jute spinners linen, flax, hemp, and jute merchants, bleachers and dyers and makers of vitriol, bleaching and dyeing materials, and to purchase, comb, prepare, spin, dye, and deal in flax, hemp, jute, wool, cotton etc. The company has not started its operation until the financial reporting date.

1.3 Capital structure of the company

The authorized capital of the company is Taka 11,500,000 (One crore fifteen lac) divided into 1,150,000 ordinary shares of Taka 10 each.

The paid-up capital of the company is Taka 5,000,000 divided into 500,000 ordinary shares of Taka 10 each. Details of share capital are given in Note 5.

2 Basis of Preparation

2.1 Statement of compliance

The financial statements of the company under reporting have been prepared under historical cost convention in a going concern concept and on accrual basis in accordance with the applicable International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) and other applicable laws and regulation in Bangladesh.

2.2 Presentation of financial statements

The presentation of these financial statements is in accordance with the guidelines provided by IAS: 1 'Presentation of Financial Statements'.

i. Statement of Financial Position as at 30 June, 2022;
ii. Statement of Profit or Loss and Other Comprehensive income for the year ended 30 June, 2022;
iii. Statement of Cash Flow for the year ended 30 June, 2022;
iv. Statement of Changes in Equity for the year ended 30 June, 2022;
v. Notes, Summary of Significant Accounting Policies and other Explanatory Information

2.3 Reporting period

The financial statements of the Company cover from 01 July 2021 to 30 June 2022.

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.

Hoque Bhattacharjee Das & Co. Dhaka Chartered Accountants

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Pankaj

3.2 Statement of cash flows

Statement of Cash Flows is prepared principally in accordance with IAS 7 "Statement of Cash Flows" and the cash flow from the operating activities have been presented under indirect method.

3.3 Comparative information

Comparative figures and account titles in the financial statements have been rearranged/reclassified and restated where necessary to conform with changes in presentation in the current year.

3.4 Provision

In accordance with the guidelines as prescribed by IAS 37, provisions are recognized when all the following criteria are met:

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 obligation; and

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 2022. The Branch does not expect any current tax payable during the year and hence no tax provision has been made.

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 recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized 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.

Hoque Bhattacharjee Das & Co. Dhaka Chartered Accountants

4 **Cash and cash equivalents**

Taka	30 June 2022	30 June 2021
Cash at Bank (SCB A/C- 9793-01)	16,70,988	50,27,320
	16,70,988	**50,27,320**

5 **Share Capital**

5.01 **Authorized Capital**

Taka	30 June 2022	30 June 2021
1,150,000 Ordinary Share @ TK. 10	1,15,00,000	1,15,00,000
	1,15,00,000	**1,15,00,000**

5.02 **Issued, subscribed and paid-up Capital**

Taka	30 June 2022	30 June 2021
500,000 Ordinary Share @ Tk. 10	50,00,000	50,00,000
	50,00,000	**50,00,000**

A. Position of Shares holding as at 30 June 2021

Name of the Shareholders	Nature of Shareholding	Nationality	Number of share	Share value	Percentage (%)	Percentage (%)
Raymond Limited	Company	Indian	4,99,999	10	0.999998	49,99,990
Mr. Pankaj Saxena	Individual	Indian	1	10	0.000002	10
			5,00,000		1.000000	50,00,000

6 **Retained Earning**

Taka	30 June 2022	30 June 2021
Opening Balance	(38,24,248)	(34,81,030)
Add: Profit/(loss) during the year	(3,12,235)	(3,43,218)
	(41,36,483)	**(38,24,248)**

7 **Current Liabilities**

Taka	30 June 2022	30 June 2021
Payable to Reliance Trade International	1,80,000	30,24,737
Payable to Khyrul Kabir	-	1,51,005
Payable to Raymond Limited (Note 7.01)	37,010	37,010
Payable for withholding tax & VAT	5,15,461	4,88,816
Provision for Audit fee	75,000	1,50,000
	8,07,471	**38,51,568**

7.01 This amount was received from Raymond International in excess of share capital.

8 Expenses

Taka	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021
Rent	2,17,895	2,36,053
Audit fee	86,250	86,250
Registration fee	-	13,535
Bank charge	3,690	7,380
Postage & courier	4,400	-
	3,12,235	**3,43,218**

Hoque Bhattacharjee Das & Co. Dhaka Chartered Accountants

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R&A LOGISTICS, INC.
AUDITED FINANCIAL SATEMENTS
MARCH 31, 2023

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, 2023, 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, 2023, 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 24, 2023

R&A LOGISTICS, INC.
BALANCE SHEET
MARCH 31, 2023

ASSETS

Current Assets				
Cash in bank	$	1,102,827		
Accounts Receivable	$	2,117,889		
Accounts Receivable - Related Party **(2)**	$	4,791,190		
Advances to Service Provider	$	113,546		
Total Current Assets			$	8,125,452
Fixed and Other Assets				
Fixed assets net of accumulated depreciation and provision for impairment **(1)**	$	-		
Deferred Tax Asset	$	150,331		
Margin Money Deposit **(7)**	$	250,000		
Security Deposit	$	2,500		
Total Fixed and Other Assets			$	402,831
Total Assets			**$**	**8,528,283**

LIABILITIES & SHAREHOLDERS' EQUITY

Current Liabilities				
Accounts Payable	$	275,879		
Accounts Payable - Related Party **(2)**	$	6,335,757		
Tax Payable	$	24,210		
Advance Against Sales	$	486,222		
Accrued Expenses	$	478,823		
Total Current Liabilities			$	7,600,891
Short Term Loan - Related Party **(2)**			$	-
Total Liabilities			$	7,600,891
Shareholders' Equity				
Equity Share Capital	$	1,700,300		
Retained Earnings	$	(772,908)		
Total Shareholder's Equity (5)			$	927,392
Total Liabilities & Shareholders' Equity			**$**	**8,528,283**

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, 2023

Net Sales	$ 36,452,028
Cost of goods sold	$ 35,137,295
Gross profit	$ 1,314,733
Depreciation Expense	$ 17,476
Selling General and Administrative Expenses	$ 382,527
	$ 400,003
Income from Continuing Operations	$ 914,730
Bad Debts Written Off	$ 1,310
Provision for Income Tax **(1)**	$ 24,210
Provision for Deferred Tax Benefit **(1)**	$ 259,290
Net Income	$ 629,920
Retained earnings - beginning of year	$ (1,402,828)
Retained earnings - end of year (5)	**$ (772,908)**

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, 2023

Cash Flows from Operating Activities:		
Net Income	$	629,920
Adjustments to reconcile net income (loss) to net cash used for operating activities:		
Depreciation	$	17,476
Deferred Tax Asset	$	259,290
Provision for Doubtful Debts	$	-
Changes in operating assets and liabilities:		
Accounts Receivable - Third Party	$	2,064,245
Accounts Receivable - Related Party	$	(2,451,182)
Advances to Service Provider	$	(85,744)
Advance Against Sales	$	474,721
Margin Money Deposit **(7)**	$	(250,000)
Security Deposit	$	1,310
Traded Goods in Transit	$	1,261,888
Tax Payable	$	22,210
Accounts Payable - Third Party	$	162,182
Accounts Payable - Related Party	$	(2,298,419)
Short Term Loan - Related Party	$	(250,000)
Accrued Expenses	$	29,320
Net cash provided by operating activities	$	(412,783)
Increase (decrease) in cash and cash equivalents	$	(412,783)
Cash and cash equivalents, beginning of year	$	1,515,609
Cash and cash equivalents, end of year	$	1,102,826

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, 2023, the Company continued selling various types of men's garments, including suits, jackets, trousers, and shirts, to major U.S. clothing retailers.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents
The Company considers all short-term investments with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits.

Accounts Receivable and Allowance for Doubtful Accounts
The Company sells its product to customers on an open credit basis. The Company's trade accounts receivable are due from such customers and are generally uncollateralized. Management provides an allowance for doubtful accounts based upon a review of existing receivables. Management's allowance for doubtful accounts of accounts receivable as of March 31, 2023 is $35,614 and has not changed since the prior fiscal year.

Inventories
No inventories are maintained by the Company as of March 31, 2023.

Property and Equipment
Property and equipment are stated at cost and are being depreciated over their estimated service lives using the straight-line method for financial reporting and accelerated methods and statuory lives for income tax reportng purposes. Estimated service lives of property are as follows:

	No. Years
Leasehold improvements	5
Office furniture and equipment	5
Comptuer equipment	5

The Company maintained fixed assets for the purpose of displaying products in Macy's physical retail store locations. The worldwide COVID-19 pandemic caused disruptions to Macy's business. Consequently, the company took a one-time loss on abandonment of the Macy's store assets through a provision for impairment of $625,444 in the fiscal year ended March 31, 2021.

Accounts Payable and Cost of Goods Sold
The Company purchases substantially all of the goods it sells from Silver Spark Apparel, Ltd and other affiliated companies. This is shown on the balance sheet as Accounts Payable - Related Parties. Other accounts payable are standard vendor accounts payable for operating expenses.

Income Taxes
Current income tax expense is provided at effective statutory rates, reduced by available tax credits. Deferred tax benefit represents primarily the expected usage in future periods of loss carryforwards available at statutory tax rates.

Subsequent Events
R&A Logistics, Inc. evaluated the effect subsequent events would have on the financial statements through April 30, 2023, which is the date the financial statements were available to be issued. No subsequent events adversely affect these financial statements as of the date of this report.

Note 2 - Transactions with Related Parties

The Company has participated in various transactions with Silver Spark Apparel, Ltd. (SSAL), of which R&A Logistics, Inc. is a wholly owned subsidiary. They have in prior and/or the current year participated in various transactions with Raymond, Ltd, Silver Spark Middle East FZE, Raymond (Europe) Limited, and Raymond UCO Denim Pvt Ltd which are all related through common ownership. The following is a summary of transactions and balances for the year ended March 31, 2023.

Accounts payable to SSAL	$ 5,404,478
Accounts payable to Raymond Ltd	$ 510,179
Accounts payable to Raymond UCO Denim Pvt Ltd	$ 421,100
Accounts receivable from SSAL	$ 786,135
Accounts receivable from Silver Spark Middle East FZE	$ 4,005,055
Short Term Loan Repaid in Full to Raymond (Europe) Ltd	$ 250,000

Note 3 - Revenue Recognition

R&A Logistics, Inc recognizes revenue when its products are shipped in accordance with accepted industry practices. At the time of shipment, products have transferred title, and cash or receivables can be measured with reasonable precision. Allowances for sales returns are recorded as a component of net sales in the year the allowances are recognized.

Note 4 - Lease Commitments

An office in New Jersey was opened on September 1, 2020 for which rent expense in the current fiscal year was incurred of $19,900.

Future minimum lease payments for the New Jersey office under the noncancellable operating lease as of March 31, 2023 are as follows:

FYE 2024	$8,500

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. Net income constitutes the only change in Shareholder's Equity in FYE 3/31/2023.

Note 6 - Major Customers

R&A Logistics, Inc had three major customers comprising a significant portion of sales revenues and accounts receivable for the current fiscal year.

Note 7 - Margin Money Deposit

R&A Logistics, Inc has placed $250,000 on deposit with a financial institution in the United States of America to provide collateral for an irrevocable letter of credit. This irrevocable letter of credit is to facilitate the importing of goods into the United States of America from other countries and will be duly honored upon R&A Logistic Inc's draft on the bank. The agreement is effective as of 6/29/2022 and expires on 6/9/2023. The agreement will be automatically extended without amendment for successive one year periods.

R&A LOGISTICS, INC.
SUPPLEMENTAL BALANCE SHEET SCHEDULES
FOR THE YEAR ENDED MARCH 31, 2023

ACCOUNTS RECEIVABLE

Sundry Debtors - Domestic	$	2,153,503
Provision for Doubtful Debts	$	(35,614)
Total Accounts Receivable	**$**	**2,117,889**

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	$	(348,787)
Provision for Impairment of Fixed Assets	$	(625,444)
Total Fixed Assets Net of Accumulated Depreciation	**$**	**-**

R&A LOGISTICS, INC.
SUPPLEMENTAL PROFIT AND LOSS SCHEDULES
FOR THE YEAR ENDED MARCH 31, 2023

COST OF GOODS SOLD

COGS Traded Goods - Import	$	28,042,022
Carriage Inwards	$	3,925,144
Job Work Charges - Local	$	3,170,129
Total Cost of Goods Sold	**$**	**35,137,295**

SELLING GENERAL AND ADMINISTRATIVE EXPENSES

Salaries	$	143,204
Commission to Selling Agents	$	82,016
Legal Professional and Consulting	$	11,435
Claims & Compensation	$	10,000
Bank Charges	$	36,764
Office General	$	8,326
Postage & Courier	$	968
Donations	$	10,000
Software Expense	$	16,075
Rent Expense	$	19,900
Insurance	$	488
Statutory Audit Fees	$	37,537
Travel Expense	$	5,814
Total General and Administrative Expenses	**$**	**382,527**

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

7th Audited Financial Statements
Year Ended March 31, 2023

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, 2023 and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and the fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium Sized Entities, and for such internal control as management determines is necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations and disclosing, as applicable, matters related to going concern.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Independent Auditor's Report continued......

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained up to the date of our auditor's report is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of SILVER SPARK MIDDLE EAST FZE, SAIF Zone, U.A.E. as at March 31, 2023 and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards for Small and Medium Sized Entities and comply with Sharjah Airport International Free Zone Authority's Implementing Regulations issued pursuant to Emiri Decree No. 2 of 1995 of H.H.Sheikh Sultan Bin Mohammed Al Qassimi, The Ruler of Sharjah.

Other Legal and Regulatory Requirements

As required by the Implementing Regulations, we further confirm that we have obtained all informations and explanations necessary for our audit and that proper books of accounts have been kept by the company. We are not aware of any violation of the above mentioned Regulations and the Articles of Association, which may have had a material effect on the business of the company or on its financial position.

These are separate (standalone) Financial Statements of the Subsidiary. Consolidated Financial Statements will be prepared by the Ultimate Parent Company including this Subsidiary and its step down subsidiary.

For Parag Parekh and Co. Chartered Accountants

Parag Parekh & Co.

Parag Pratap Parekh
MOE Registration No. 449
Dubai, United Arab Emirates
Dated : April 26, 2023

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, 2023 All figures are expressed in Dirhams	Note	**As at 31.3.2023**	**As at 31.03.2022**
Non - Current Assets			
Investment in Equity of Subsidiary	3	62,858,267	62,858,267
Due from Subsidiary (Long Term)	4	15,620,057	18,110,220
		78,478,324	80,968,487
Current Assets			
Inventory	5	20,525,241	14,805,001
Trade Debtors	6, 10	10,083,847	5,135,823
Bank Balances		39,888	29,283
Deposits, Advances and Prepayments		887,515	1,350,140
Sub Total	CA	31,536,491	21,320,246
Current Liabilities			
Bank Borrowings	7	21,060,119	30,438,669
Trade Creditors	8, 10	36,132,583	23,848,884
Accruals		655,344	598,630
Advances from Trade Debtors	10	14,698,553	8,587,830
Loan from Parent Company	10i	15,333,800	15,333,800
Sub Total	CL	87,880,398	78,807,814
Net Current Assets / Liabilities	CA-CL	-56,343,908	-57,487,568
Non Current liabilities			
Bank Borrowings	7	-	5,027,900
Net Assets		22,134,417	18,453,020
Shareholder's Equity			
Share Capital	1a	16,350,000	16,350,000
Additional Share Capital		689,925	1,093,181
Accumulated Profits		5,094,491	1,009,839
Total		22,134,416	18,453,020

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 26, 2023 and signed On Behalf of the Board by

Abdulla Nalupurappattil Kizhekepurayil
Manager

Auditor's Report Page - 2

P.O. Box: 513549
Sharjah - U.A.E.
SILVER SPARK MIDDLE EAST (FZE)

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Income Statement
Year Ended March 31, 2023
All figures are expressed in Dirhams

	Note	31.3.2023	31.03.2022
Sales		85,769,983	58,903,192
Cost of Sales	9	-77,952,359	-54,292,335
Gross Profit		7,817,624	4,610,857
Expenses			
Administrative Costs		811,004	666,568
Salaries & Benefits		129,836	124,500
Finance Cost	10i	2,792,131	2,481,749
Sub - total		3,732,971	3,272,816
Net Profit for the Year		**4,084,653**	**1,338,041**

On Behalf of Board of Directors

Abdulla Nalupurappattil Kizhekepurayil
Manager

Auditor's Report Page - 2

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Statement of Changes in Equity
Year Ended March 31, 2023

All figures are expressed in Dirhams

	Share Capital	Additional Capital	Accumulated Profits	Total
Balance as at 1.4.2022	16,350,000	1,093,181	1,009,839	18,453,020
Transfer from Income Statement	0	0	4,084,653	4,084,653
Funds Introduced / (withdrawn) (Reversal of Guarantee Commission)	0	-403,256	0	-403,256
Balance as at 31.3.2023	16,350,000	689,925	5,094,491	22,134,416
Balance as at 1.4.2021	16,350,000	1,093,181	-328,202	17,114,979
Transfer from Income Statement	0	0	1,338,041	1,338,041
Balance as at 31.3.2022	16,350,000	1,093,181	1,009,839	18,453,020

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Cash Flow Statement
Year Ended March 31, 2023

All figures are expressed in Dirhams

				31.3.2022
I	**Cash Flow from Operating Activities**			
	Net Profit		4,084,653	1,338,041
	Finance Cost		2,792,131	2,481,749
	Operating Profit Before changes in operating assets and liabilities		6,876,784	3,819,790
	Inventory		-5,720,240	-6,960,434
	Trade Debtors		-4,948,024	3,216,731
	Deposits, Advances and Prepayments		462,624	-632,310
	Trade Creditors		12,283,698	8,492,528
	Advances from Trade Debtors		6,110,723	8,577,421
	Accruals		56,714	488,084
	Net Cash Generated From Operations		15,122,279	17,001,811
II	**Cash Flow from Investing Activities**			
	Investment in Equity of Subsidiary		0	0
	Funds Introduced/ Withdrawn		-403,256	0
	Due From Subsidiary		2,490,163	-2,017,469
	Net Cash used in Investing Activities		2,086,907	-2,017,469
III	**Cash Flow from Financing Activities**			
	Import Financing (Trust Receipts)		-971,731	73,137
	Term Loans		-15,468,647	-13,478,928
	Finance Cost		-2,792,131	-2,481,749
	Loan from Parent Company		0	0
	Net Cash used in Financing Activities		-19,232,509	-15,887,541
	Changes in Cash and Cash Equivalents	I+II+III	-2,023,323	-903,199
	Cash and Cash Equivalents at the beginning		-13,928,692	-13,025,493
	Cash and Cash Equivalents at the end		-15,952,015	-13,928,692
			0	0

Supplemental Cash Flow Statement Information

Non-Cash Transactions	Nil	Nil

Dubai - U.A.E.

SILVER SPARK MIDDLE EAST FZE
P.O.Box 513549, SAIF Zone, U.A.E.

Accounting Policies and Explanatory Notes
Year Ended March 31, 2023

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
General Trading	15857	10.09.2015

During the year company has cancelled the license of "Investment of Own Financial Resources " and license number of General Trading license has been changed to 15857 .

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 has invested into the manufacturing project of its step down subsidiary Silver Spark Apparel Ethiopia PLC from which the company gets its Apparel manufactured on Job Work basis.

1c **Management**

As per the amended Memorandum & Article of Association dated February 18, 2019, the company will be managed by the Board of Directors viz. Vipin Agarwal and Kiran Vasant Kalbag. As per the Parent's Board Resolution dated 8.2.2021 and the licences issued the Manager on the licences is Mr Abdulla Nalupurappattil Kizhekepurayil.

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.

Dubai - U.A.E.

e **Inventory (Section 13 -IFRS for SMEs)**

Inventory have been valued at lower of cost and net realisable value. Cost of Raw material is determined by weighted average, and included all the expenses incurred in bringing the inventory to their present location and condition.

Net realisable value is the estimate of selling price in the ordinary course of business less selling expenses. At each reporting date, inventory is assessed for impairment due to damage and obsolesce 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.

	31.3.2023	31.3.2022
Bank Balances	39,888	29,283
Bank Overdraft	-15,991,902	-13,957,974
	-15,952,015	-13,928,692

3 **Investment in Equity of Subsidiary**	**31.3.2023**	**31.3.2022**
In Share Capital of Silver Spark Apparel Ethiopia PLC	62,858,267	62,858,267

i The Company is the beneficial owner of 100% shares. Silver Spark Apparel Ethiopia PLC was established on August 8, 2016. As per the Shareholders Resolution cum Amendment to MOA and the share certificates issued dated December 28, 2020 the paid up capital of the Subsidiary is Ethiopian Birr 466,611,600/- comprising 222,196 shares with a face value of ETB 2,100 per share.

ii The share capital was remitted by the Shareholder in US Dollars on various dates and also includes USD payments made to capex suppliers on behalf of the subsidiary on various dates.

iii The UAE Dirham is pegged to the U.S.Dollar at fixed exchange rate of 1 USD = 3.67 UAE Dirhams. For info only as at 31.3.2023, USD 1 = ETB 53.75 and AED 1 = ETB 14.634 (as at 31.3.2022, USD 1 = ETB 50.95 and AED 1 = ETB 13.869)

iv As per audited financials of the Subsidiary, its Net Profit for the year ended 31.3.2023 is ETB 13.64 M and Total Equity as at 31.3.2023 is ETB 275.12M v The writedowns in the carrying value of the Investments due to currency devaluations is not done in these financials as the same would be recognised in the consolidated financials of the ultimate parent company.

		31.3.2023	31.3.2022
4	**Due from Subsidiary (Long term)**		
	Represents Payments made on behalf of the WOS	15,620,057	18,110,220

Note : The writedowns in the carrying value of the Dues due to currency devaluations is not done in these financials as the same would be recognised in the consolidated financials of the ultimate parent company.

5 Inventory (In Ethiopia)
(as certified, verified and valued by Management)
(Accounts are Integrated with Inventory in the ERP)

Raw Materials	17,918,265	13,602,395
Goods in Transit (Raw Materials)	2,606,976	1,202,606
Total	20,525,241	14,805,001

6 Trade Debtors

Related Parties	10,083,847	4,390,749
Others	0	745,074
	10,083,847	5,135,823

7 Bank Borrowings

Current Portion

Overdraft	15,991,902	13,957,974
Import Financing (Trust Receipts)	0	971,731
Term Loans	5,068,217	15,508,964
	21,060,119	30,438,669

Non Current Portion

Term Loans	0	5,027,900
	0	5,027,900

Notes:

7.1 **Standard Chartered Bank, Dubai , UAE**

i Facilities are obtained to finance the manufacturing project of the Subsidiary, Silver Spark Apparel Ethiopia PLC.

ii USD 12,000,000 or AED 44,040,000/- Term Loans comprising various drawdowns has a Tenor of 5.25 to 5.5 years years including 24 months moratorium for each draw down. 30% of the loan to be paid in 3rd and 4th Year and 40% of the loan to be paid in 5th year in quarterly instalments.

iii Interest is charged at 2.50% per annum over 3 Months Libor on term loans and at 2% to 2.70% per annum over One Month Libor on Working Capital facilities.

iv Facilities are secured by Corporate Guarantee of Parent Company Silver Spark Apparel Limited, India.

v As the interest costs on term loans are to be borne by the Subsidiary for whom these loans are obtained, financial costs of these loans are NOT recognized in these financial statements. All the Interest charged by the bank are accounted as Due from Subsidiary (Long term).

vi However Interest on Overdraft and Import Financing (Trust Receipts) is accounted in these books as an expense.

8 Trade Creditors

Related Parties	32,581,632	20,779,039
Others	3,550,951	3,069,845
Total	36,132,583	23,848,884

9 Cost of sales	**31.3.2023**	**31.3.2022**
Raw Materials Consumed	49,487,850	32,459,147
Job Work Charges & Other Direct Expenses	28,464,509	21,833,188
	77,952,359	54,292,335

10 Related Parties

The concern in the normal course of business enters into transactions with other business enterprises that fall within the definition of Related Party contained in the IFRS for SMEs section 33. The concern believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties.

Transactions and Balances with Related Parties:

i	**Silver Spark Apparel Ltd, India (Parent Co)**		**31.3.2023**	**31.3.2022**
	Loan from Related Party -Interest Bearing (Note)	Confirmed	15,333,800	15,333,800

Note:

a *As per loan agreements and their amendments, the term loans are denominated in* ***Indian rupees and*** *repayable in 1 year.*

b *Interest is payable every quarter and will be charged @* ***8.75%*** *per annum on respective loans +2% on late payment.*

	Trade Debtors	Confirmed	10,083,847	4,390,749
	Trade Creditors for Expenses and Interest Payable	Confirmed	1,197,492	3,461,130
	Sales		41,614,039	8,723,331
	Interest Cost		1,341,705	1,500,865
	Guarantee Commission Expense		156,468	156,468
	Prepaid Guarantee Commission		0	403,256
	Share Capital	Confirmed	16,350,000	16,350,000
	Additional Capital	Confirmed	689,925	1,093,181
ii	**Raymond Limited, India**			
	Trade Creditors	Confirmed	30,597,088	14,274,378
	Goods in Transit (Asset)		2,334,405	1,202,606
	Purchase		25,484,951	15,575,255
iii	**Raymond America (RA Logistics Inc.), USA**			
	Trade Debtors		0	0
	Advance From Debtors	Confirmed	14,698,553	8,587,830
	Sales		41,798,519	47,481,970
	Claims & Compensation (under Admin Expense)		16,231	6,569
iv	**Silver Spark Apparel Ethiopia PLC**			
	Investments in Equity	Confirmed	62,858,267	62,858,267
	Due from Subsidiary (Long Term)	Confirmed	15,620,057	18,110,220
	Trade Creditors	Confirmed	787,052	3,043,531
	Job Work Charges		25,165,452	18,966,171
v	**Raymond Luxury Cottons Limited, India**			
	Trade Creditors (Goods in Transit)		272,571	0

11 Foreign Currency Translation (Section 30 - IFRS for SMEs)

a Foreign currency transactions are converted into U.A.E. Dirham's at the closing rate of exchange of the date of the transaction.

b Foreign currency balances outstanding as on Statement of Financial Position date are reinstated into U.A.E. Dirham's at the rate of exchange prevailing on Statement of Financial Position date .

c Foreign currency loss or gains arising are accounted to the Income Statement.

d All Foreign Currency Related Party Balances are carried in UAE Dirhams only in these standalone Financial Statements as exchange gains and losses would be recognized in consolidated financial statements of the ultimate parent company in India.

12 Financial Instruments (Section 11, 12 - IFRS for SMEs)

Financial Instruments means financial assets, financial liabilities and equity instruments.

Financial assets include Investments, cash, trade debtors, bank balances, deposits, advances and other receivables. Financial liabilities include bank borrowings, trade creditors, provisions and accruals, advances from customers, finance lease liabilities, other payables and employee terminal benefits.

a **Fair Values**

The fair values of the concern's financial assets and financial liabilities approximate to their carrying values.

b **Credit Risk and Interest Rate Risk**

i **Credit Risk**

Financial assets, which potentially expose the company to credit risk, comprise mainly of Investments in Subsidiary, Bank Current Accounts and Trade Debtors.

The company's bank accounts are placed with high credit quality financial institutions.

Customer Risk

During the year, 97% of sales are made to 2 Related Party Customers. (Previous year - 95% sale were made to 2 Related Party Customers).

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 %:	**31.3.2023**	**31.3.2022**
USA	0	15%
India	100%	85%
	100%	100%

ii **Interest Rate Risk**

The Interest rates on bank facilities are based on a fixed margin over LIBOR. The management does not foresee any significant risk due to fluctuations in LIBOR.

13 Bank Facilities*		Utilisation	Limits
Term Loan		5,027,900	5,027,900
Bank Overdraft (Sub Limit of LC /TR)		15,991,902	18,350,000
Import Financing (Sub Limit of LC / TR)		0	0
Total	Confirmed	21,019,802	23,377,900

Bankers

Standard Chartered Bank, Dubai, UAE*

14 Purchase Commitments and Contingent Liabilities	31.3.2023	31.3.2022
Letters of Credits	0	415,297

15 **Previous Year's Figures**

Previous period's figures are re-grouped or re-arranged wherever necessary so as to confirm to the current year's presentation.

16 The company is using SAP ERP software wherein Financial and Inventory Accounting are integrated.

17 **Significant Events Occurring After the Balance Sheet Date**

There were no significant events occurring after the balance sheet date which require disclosure in the financial statements.

18 In the opinion of the management all the assets as shown in the financial statements are existing and realisable at the amounts shown against them. There are no liabilities against the concern, contingent or otherwise, not included in the above financial statements.

SILVER SPARK

A Raymond INITIATIVE

SILVERS SPARK APPAREL ETHIOPIA PLC

INDEPENDENT AUDITORS' REPORT AND ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2023

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Tesfaye Teferi Anbesse

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Chartered Certified Accountants

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Tesfaye Teferi Anbesse
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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 March 2023 and the Statement of Profit or Loss 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 March 2023 and its financial performance and its cash flows for the year then ended in accordance with the financial framework of the Company and applied consistently.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting policies adopted by the Company, and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charges with governance are responsible for overseeing the Company's financial reporting process.

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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

25 April 2023
Addis Ababa

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SILVER SPARK APPAREL ETHIOPIA PLC
BALANCE SHEET
AS AT MARCH 31, 2023

	Notes	Birr	Birr	2022 Birr
ASSET EMPLOYED				
Plant, Property and Equipment	2b, 3		233,229,281	257,822,591
Intangible asset	4		1,826,974	2,214,096
Other non-current asset	5		10,894,935	10,269,670
			245,951,190	270,306,357
CURRENT ASSET				
Inventory	6	41,483,934		19,779,418
Debtors and prepayments	2c, 2f, 7	35,436,393		57,806,147
Cash at bank	8	123,614,006		109,012,837
		200,534,333		186,598,402
CURRENT LIABILITY				
Trade payable	9	2,193,357		215,195
Service providers & other creditors	10	19,951,727		4,422,481
Provisions & Accruals	2f, 11	41,487,204		45,757,978
		63,632,288		50,395,654
NET CURRENT ASSET			136,902,045	136,202,748
			382,853,235	406,509,105
REPRESENTED BY				
Capital	1		466,611,600	466,611,600
Retained earnings (adverse)			(191,491,605)	(205,130,215)
			275,119,995	261,481,385
Silver Spark Middle East (FZE)	12		107,733,240	145,027,720
			382,853,235	406,509,105

The notes to the accounts form part of the financial statements and should be read in conjunction.

SILVER SPARK APPAREL ETHIOPIA PLC
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2023

	Notes	Birr	Birr	2022 Birr
EXPORT INCOME	13		361,928,959	286,864,834
COST OF GOODS SOLD	14		(215,458,309)	(169,457,507)
GROSS PROFIT/(LOSS)			146,470,650	117,407,327
OTHER INCOME	15		9,537,376	15,166,279
			156,008,026	132,573,606
EXPENSES				
Selling and distribution	16	25,823,265		14,285,613
Administrative	17	101,459,815		79,862,952
Financial Charges	18	15,086,336		13,366,197
			(142,369,416)	(107,514,762)
PROFIT/LOSS FOR THE YEAR			13,638,610	25,058,844
RETAINED EARNINGS (ADVERSE) BROUGHT FORWARD			(205,130,215)	(230,189,059)
RETAINED EARNINGS (ADVERSE) CARRIED FORWARD			(191,491,605)	(205,130,215)

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The notes to the accounts form part of the financial statements and should be read in conjunction.

SILVER SPARK APPAREL ETHIOPIA PLC
STATEMENT OF CHANGE IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2023

	Paid up capital Birr	Share Application Money Birr	Retained earnings (adverse) Birr	Total Birr
Balance as at March 31, 2021	**466,611,600**	**-**	**(230,189,059)**	**236,422,541**
Addition	-	-	-	-
Profit for the year	-	-	25,058,844	25,058,844
Balance as at March 31, 2022	**466,611,600**	**-**	**(205,130,215)**	**261,481,385**
Addition	-	-	-	-
Profit for the year	-	-	13,638,610	**13,638,610**
Balance as at March 31, 2023	**466,611,600**	**-**	**(191,491,605)**	**275,119,995**

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The notes to the accounts form part of the financial statements and should be read in conjunction

SILVER SPARK APPAREL ETHIOPIA PLC
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2023

	Birr	Birr
Operating activities		
Profit for the year		13,638,610
Adjustment for:		
Depreciation and amortization	25,318,569	
Interest earned	(6,594,185)	
		18,724,384
Operating profit/(loss) before changes in operating assets & liabilities		**32,362,994**
Changes in operating assets and liabilities:		
Increase in other non-current assets	(625,265)	
Increase in stock	(21,704,516)	
Decrease in debtors	22,369,754	
Increase in trade payable	1,978,162	
Increase in service providers & other creditors	15,529,246	
Decrease in provisions & Accruals	(4,270,774)	
Decrease in Related Party transactions	(37,294,480)	
		(24,017,873)
Net cash flows generated from operating activities		**8,345,122**
Investing activities		
Purchase of property and equipment	(338,137)	
Net cash flows used in investing activities		**(338,137)**
Financing activities		
Interest	6,594,185	
Net cash flows used in financing activities		6,594,185
Net increase in cash and cash equivalents		14,601,169
Cash and bank balances at April 1, 2022		**109,012,837**
Cash and cash equivalents at March 31, 2023		**123,614,006**

CERTIFIED AUDIT FIRM

The notes to the accounts form part of the financial statements and should be read in conjunction.

SILVER SPARK APPAREL ETHIOPIA PLC
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED MARCH 31, 2023

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%

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.

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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.

f) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known /materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The estimates and judgments that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

g) Provision, contingent liabilities and Contingent Assets

Provisions: Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets: Contingent Assets are neither recognized nor disclosed in the financial statements.

h) Measurement of defined contribution

As per the Private Organization Employees Pension Proclamation No. 715/2011, the company is required to make a defined contribution of a percentage of the employees' basic monthly salary to the fund. This is reported as part of employees salary and benefit to the extent it is incurred. Any unpaid amount is shown as current liability.

i) Taxation

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. As the Company is exempt for tax, tax liability is not calculated, and hence neither deferred tax asset nor differed tax liability is recognized.

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3. PLANT, PROPERTY AND EQUIPMENT

	Balance at April 1, 2022 Birr	Addition Birr	Transfer/ Reclassification Birr	Balance at March 31, 2023 Birr
COST				
Fencing	1,246,723	-	-	1,246,723
Plant & equipment	332,786,020	-	284,118	333,070,138
Furniture & fixtures	10,747,978	-	-	10,747,978
Vehicles	5,400,100	-	-	5,400,100
Office equipment	2,582,305	-	-	2,582,305
Computers	7,661,888	-	54,019	7,715,907
Capital Work In progress	-	338,137	(338,137)	-
	360,425,014	338,137	-	360,763,151
ACCUMULATED DEPRECIATION				
Fencing	252,660	69,714	-	322,374
Plant & equipment	84,689,034	21,073,105	-	105,762,139
Furniture & fixtures	6,950,217	1,612,197	-	8,562,414
Vehicles	3,573,718	810,015	-	4,383,733
Office equipment	1,236,081	387,346	-	1,623,427
Computers	5,900,713	979,070	-	6,879,783
	102,602,423	24,931,447	-	127,533,870
NET BOOK VALUE	257,822,591			233,229,281

4. INTANGIBLE ASSET

The balance represents cost of ERP software installed and being used in the Factory.

		Birr	Birr
Cost			3,871,226
Less:	Previous year amortization	1,657,130	
	Current year amortization	387,122	
			(2,044,252)
			1,826,974

5. OTHER NON-CURRENT ASSET

i. The composition of the balance is as follows:

		2022
	Birr	Birr
Security Deposit	10,717,068	10,095,366
Ethiopian Electric Utility deposit	112,000	112,000
YKK India Private Ltd	65,867	62,304
	10,894,935	10,269,670

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.

6. INVENTORY

		2022
	Birr	Birr
Fabric, trims and consumables	1,442,110	73,467
Finished Goods	28,207,598	8,251,630
Work in progress	2,192,095	1,882,514
Spare parts and others	9,642,131	9,571,807
	41,483,934	19,779,418

7. DEBTORS AND PREPAYMENTS

	Birr	2022 Birr
Trade debtors - Silver Spark Middle East (FZE)	10,650,674	41,374,708
VAT Receivable	9,744,194	9,636,706
Advance to suppliers	8,313,383	3,543,791
Prepaid expenses	6,716,880	1,125,043
Industrial Park Development Agency	-	2,125,899
Sundry Debtors	11,262	-
	35,436,393	57,806,147

8. CASH AT BANK

	Birr	2022 Birr
Commercial Bank of Ethiopia - ETB A/C - 1000376303172	110,819,283	84,082,459
Commercial Bank of Ethiopia USD A/C 1000215662717	11,661,030	23,611,804
Commercial Bank of Ethiopia-HIP-1000206023361	839,481	1,067,871
Commercial Bank of Ethiopia - USD A/C - 1000175832843	215,977	204,294
Commercial Bank of Ethiopia - ETB A/C - 1000177893238	4,702	19,235
Cash on hand	73,533	27,174
	123,614,006	109,012,837

9. TRADE PAYABLE

	Birr	2022 Birr
Tradepath International PLC	1,221,612	-
Senait Alemu Bogale	222,091	62,035
Amanuel Fruits & Vegetable	178,541	153,160
Abdela Ali Abdela	172,314	-
Amarech Sema Elala	97,872	-
Shibre Tsegaye	90,410	-
ITL Ethiopia Labels	85,016	-
JAS Holdings Garment Solution PLC	62,227	-
Furra Security	63,274	-
	2,193,357	215,195

The notes to the accounts form part of the financial statements and should be read in conjunction.

10. SERVICE PROVIDERS & OTHER CREDITORS

	Birr	2022 Birr
Industrial Park Development Corpora	8,793,270	-
Cargomar Pvt Ltd	2,101,632	-
Value Cargo PLC	1,521,406	1,110,690
MUTILINES GLOBAL FORWARDING Ltd	1249727	-
Melehk Logistics Plc	1204866	1,179,344
Jemilla Amdella Delbar	888,006	401,792
Dhl Worldwide Express Ethiopia Plc	792,114	70,468
Expo Freight Pvt Ltd	712,863	-
Dita Transit & loss	636,050	732,910
Scanwell Logistics India Pvt Ltd	411,521	-
Bollore Logistics China Co., Ltd.	283,764	-
Wen-Parker Logistics (S) Pte Ltd	283,433	-
Siraaj Logistics and General Service	126,716	126,716
Deneke Engidawork	126,434	99,933
Haile & Alem international	90,632	84,514
Panafric global plc.	59,599	57,894
Geremegn Alemu Bedaso	42,254	-
Bini Stationary & Sanitary Ware	38,322	-
Girma Hirpa Bejiga	33,500	-
Bureau Veritas Consumer Products	25,268	-
Tabor Hetmtena Mastawkiya	21,617	-
M+R Logistics India Pvt Ltd	-	133,033
Fitret Debela Dengiso	-	125,184
Others	508,733	300,002
	19,951,727	4,422,481

11. PROVISION & ACCRUALS

	Birr	2022 Birr
Provision for Expenses	24,736,997	35,672,738
Salary and Wages payable	10,422,570	8,475,684
Pension Fund (Employer) Contribution Payable	398,100	351,035
Pension Fund (Employee) Contribution Payable	253,336	223,258
PAYE(Pay as You Earn) WHT Payable	5,559,811	584,231
Withholding Tax	110,608	105,076
Vat Payable	4,399	343,605
Excise Duty Payable	1,383	2,351
	41,487,204	45,757,978

12. SILVER SPARK MIDDLE EAST (FZE)

Silver Spark Middle East (FZE) is the major shareholder of the Company holding 213,720 shares of the total 213,720 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.

13. 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	2022 Birr
CM--Trousers , Vest and Jacket	361,928,959	286,864,834

14. COST OF GOODS SOLD

	Birr	2022 Birr
Manufacturing cost		
Materials consumed	27,998,885	61,261,388
Wood Consumption	5,300,083	4,843,003
Direct labor	79,928,678	47,189,325
Depreciation	25,318,569	25,845,968
Factory shed rent	45,445,743	38,435,914
Light & power	6,737,796	4,050,930
Repair and maintenance	4,211,959	1,097,282
Custom duty & others	870,209	1,119,533
	195,811,922	183,843,343
Less: Decrease (Increase) in WIP	(309,581)	(1,344,826)
	195,502,341	182,498,517
Decrease (Increase) in finished products	19,955,968	(13,041,010)
	215,458,309	169,457,507

15. OTHER INCOME

	Birr	2022 Birr
Interest on fixed deposit	6,594,185	4,142,885
Sale of Process Waste	371,815	121,754
Forex gain or loss	2,571,376	10,901,640
	9,537,376	15,166,279

16. SELLING EXPENSE

	Birr	2022 Birr
Export expenses	19,932,562	9,151,353
Testing/Certification/Inspection Fees	5,890,703	5,134,260
	25,823,265	14,285,613

17. ADMINISTRATIVE EXPENSE

	Birr	2022 Birr
Salaries & Wages	72,138,216	47,619,380
Rent	3,202,126	2,867,359
Per-operating expense – amortization	0	4,839,963
Travelling Expenses	7,561,288	6,930,110
Guest House Expenses	3,908,615	2,529,155
Insurance	2,504,920	1,730,125
Gardening & Park Maintenance	-726,732	4,815,671
Printing And Stationery	5,765,740	2,539,906
Security Services	588,821	492,276
Communication	1,350,189	1,695,353
Car running & rental	1,316,415	528,596
IT outsourcing charges	610,021	907,858
Audit & professional Fees	1,066,054	763,307
Subscription	819,484	750,948
Housekeeping expense	952,840	845,558
Miscellaneous	401,818	7,387
	101,459,815	79,882,952

The notes to the accounts form part of the financial statements and should be read in conjunction.

18. FINANCIAL CHARGE

a) This balance is composed of the following:

		2022
	Birr	Birr
Term loan interest	9,028,216	9,365,580
Bank service charge	6,058,120	4,000,617
	15,086,336	13,366,197

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.

19. 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).

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Raymond America Apparel INC

Financial Statement as on
March 31, 2023

RAYMOND AMERICA APPAREL INC
BALANCE SHEET
31st March 2023

	(In $)
Assets	
Other Receivable	200
TOTAL ASSETS	**200**
Liabilities & Equity	
Equity	200
Liability	-
TOTAL LIABILITIES AND EQUITY	**200**

The Board of Directors of Silver Spark Apparel Limited at its meeting held on March 2, 2023 had approved acquisition of 100% stake in Raymond America Apparel INC. (a company incorporated in New Jersey) having its registered office at 2-14, Fair Lawn Ave, Fair Lawn, New Jersey 07410, USA. Raymond America Apparel INC. is having an authorized share capital of 200 stocks with no par value. The transaction was completed on April 25, 2023 and accordingly, Raymond America Apparel INC. is a wholly owned subsidiary of Silver Spark Apparel Limited.

Raymond America Apparel INC. is a newly incorporated entity and it is yet to commence business operations.

Authorised Signatory

Date- 02/05/2023