

INDEPENDENT AUDITORS' REPORT

To
The Members of Sukartik Clothing Private Limited
Report on the audit of the financial statements

Opinion

We have audited the accompanying Financial Statements of Sukartik Clothing Private Limited ('the Company'), which comprise the balance sheet as at 31 March 2023, the statement of profit and loss and statement of cash flows for the year then ended including a summary of the significant accounting policies and other explanatory information (herein after referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, *except for effects of the matters described in the Basis for Qualified Opinion*, 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 Accounting Standards prescribed under section 133 of the Act read with relevant rules, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit and loss and its cash flows for the year ended on that date.

Basis for Qualified Opinion

As mentioned in Note No. 39 to the Statement, the Company has neither paid nor provided interest on its borrowings during the financial year. Had such interest been recognised, the finance cost and interest liability for the year ended March 31, 2023 would have been further increased to that extent. Consequently, the reported Profit of the Company for the year would have been further reduced to that extent.

In respect of the matters specified above, from the available information we are unable to express our opinion as to the extent of their effect on the profit for the year ended and net assets as at 31.03.2023.

Emphasis of Matter

Some of the balances of Trade Receivables, Deposits, Loans and Advances, Advance received from customers and Trade payable are subject to confirmation from the respective parties and consequential reconciliation/adjustment. The Consequential impact thereof on the account is not ascertainable.

Our report is unmodified in respect of these matters.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 qualified audit opinion on the financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report 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 Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant Rules issued there under.

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 IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of accounts 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 statement of cash flows dealt with by this Report are in agreement with the books of accounts;
 - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards prescribed under Section 133 of the Act read with relevant rules, as amended, *except Accounting standard 15 "Employees Benefits" as referred to in note no. 35 of financial statements;*
 - e) On the basis of the written representations received from the directors of the Company 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) Since the Company's turnover as per last audited financial statements is less than Rs. 50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs. 25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification no. G.S.R. 583(E) dated June 13, 2017.
 - 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 did not have any pending litigations which would impact its financial position.

- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii) Currently there are no amounts held by the company that are required to be transferred to Investor education and protection fund hence we do not comment on the same; and
- iv) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the company to its directors during the year is in accordance with the provisions of section 197 of the Act read with schedule V to the Act.
- v)
 - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- vi) 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 Anuja Sharma & Co
Chartered Accountants
Firm Registration No. 140334W



Anuja Sharma
Proprietor
M.No .123589



Mumbai

UDIN: 23123589BGZPHH8860
30th May 2023

Annexure A referred to in Paragraph of Report on other legal and regulatory requirement of even date to the members of Sukartik Clothing Limited on the accounts of the Company for the year ended March 31, 2023

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

- i.
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b) As explained to us, these fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;
 - c) The title deeds of immovable properties are held in the name of the Company.
 - d) The Company has not revalued any of its property, plant and equipments during the year.
 - e) According to the information and explanation given to us and on the basis of our examination of the records of the company, there are no proceedings initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules made there under and therefore paragraph 3 sub-clause i(e) is not applicable to the company.
- ii.
 - a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
 - 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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. According to the information and explanations given to us, the Company has not granted secured or unsecured loans to parties covered in the register maintained under section 189 of the Companies Act during the year. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to information and explanations given to us, the Company has complied with the relevant provisions in respect of loans given and/or investments made, as per the provisions of section 185 and 186 of the Companies Act, 2013.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

- vi. The central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company and hence clause 3(vi) of the Order is not applicable to the Company.
- vii.
- a) According to the information and explanations given to us and based on the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including Provident Fund, 'Employees' State Insurance, Income-tax, Goods and Service Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India;
According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2023 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us and based on the records of the Company examined by us, there are no dues of Income Tax, Wealth Tax, Goods and Service Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes.
- viii. There are no amounts in the nature of undisclosed transactions or amounts surrendered as income in assessments under the Income Tax Act, 1961 (43 of 1961).
- ix.
- a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender
 - b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - c) In our opinion and according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised
 - 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) The Company does not have any subsidiary, associate or joint venture, hence reporting under the clause (ix) (e) of the order is not applicable to the Company.
 - f) The Company does not have any subsidiary, associate or joint venture, hence reporting under the clause (ix) (f) of the order is not applicable to the Company.
- x.
- a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised any money by way of initial public offer or further public offer and term loans during the year. Accordingly, provisions of Clause 3(ix) of the Order are not applicable to the Company.
 - 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, partly or optionally

convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

- xi.
- a) According to the information and explanations given by the management, there have been no instances of fraud on the Company by its customers. No fraud by the Company has been noticed or reported during the year, nor have we been informed of any such case by the Management. Hence reporting under clause 3(xi)(a) of the Order is not applicable to the Company.
 - b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors (including Secretarial Auditor) in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly the provisions of Clause 3(xii) of the Order are not applicable.
- xiii. In our opinion and as per information and explanations provided to us by management all the transactions with the related parties are in compliance with the provisions of sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. As per the provisions of Section 138 of Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules, 2014, Company is not required to conduct any internal audit. Accordingly provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- 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 person connected with them. Accordingly provisions of clause 3 (xv) of the Order are not applicable to the Company.
- xvi.
- a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
 - b) The Group does not have any Core Investment Company (CIC) as part of the Group and hence reporting under clause 3(xvi) (d) of the Order is not applicable to the Company.
- xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial

year. Hence, the provisions stated in paragraph clause 3 (xvii) of the Order are not applicable to the Company.

- xviii. There has been no resignation of the statutory auditors during the year.
- xix. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realisation of financial assets and payment of liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of audit report and the 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
- xx. The provisions of section 135 of the Companies Act, 2013 are not applicable to the Company, hence reporting under clause 3 (xx) (a) & (b) are 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 the report.

For **Anuja Sharma & Co**
Chartered Accountants
Firm Registration No. 140334W

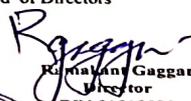


Anuja Sharma
Proprietor
M.No .123589



Mumbai
30th May 2023

SUKARTIK CLOTHINGS PRIVATE LIMITED
Balance Sheet as at 31st March 2023

(Rs. in Lacs)			
Particulars	Note No.	As at 31.03.2023	As at 31.03.2022
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	1,019.50	846.16
Capital Work in Progress	3	874.31	234.77
Financial Assets			
Investments	4	17.00	-
Other Financial Assets	5	30.87	15.41
Total non-current assets		1,941.68	1,096.34
Current assets			
Inventories	6	868.24	818.40
Financial Assets			
Trade receivables	7	956.45	1,109.56
Cash and cash equivalents	8	29.69	3.64
Bank balances other than cash and cash equivalents above	9	7.24	7.24
Loans	10	1.99	2.86
Other financial assets	11	0.54	0.54
Other current assets	12	233.06	143.25
Total current assets		2,097.22	2,085.50
TOTAL ASSETS		4,038.89	3,181.84
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	13	30.10	30.10
Other Equity	14	1,300.13	1,159.52
Total equity		1,330.23	1,189.62
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Borrowings	15	915.13	409.92
Deferred tax liabilities (net)	16	45.14	40.29
Total non-current liabilities		960.27	450.21
Current liabilities			
Financial Liabilities			
Borrowings	17	1,051.85	645.69
Trade payables	18	542.36	734.97
Other financial liabilities	19	90.32	52.99
Other current liabilities	20	14.50	89.16
Current Tax Liabilities (Net)	21	49.36	19.21
Total current liabilities		1,748.39	1,542.02
TOTAL EQUITY AND LIABILITIES		4,038.89	3,181.84
The accompanying notes form part of the financial statements		1 to 40	
As set out in our attached report of even date			
For Anuja Sharma & Co Chartered Accountants Firm Registration No. : 140334W   Anuja Sharma Proprietor Membership No. 123589 Place: Mumbai Date : 30/05/2023		For and on behalf of the Board of Directors  Navratan Gaggar Director DIN 01655621  Rishabh Gaggar Director DIN 01019838 	

STATEMENT OF PROFIT AND LOSS
Statement of Profit and Loss for the year ended 31st March, 2023

Particulars	Note No.	(Rs. in Lacs)	
		For the year ended 31/03/2023	For the year ended 31/03/2022
Revenue from operations	22		
Other income	23	3,766.51	3,342.32
Total Revenue		5.00	2.62
Expenses:		3,771.51	3,344.94
Cost of materials consumed			
Changes in inventories	24	1,444.46	1,597.06
Purchase of Stock In trade	25	(14.39)	(118.61)
Employee benefits expense		6.11	1.24
Finance costs	26	766.43	568.77
Depreciation and amortization expense	27	117.57	32.97
Other expenses	3	93.96	80.48
	28	1,221.34	1,076.45
Total expenses		3,575.48	3,148.36
Profit before exceptional items and tax		196.04	196.58
Exceptional items		-	-
Profit before tax		196.04	196.58
Tax expense:			
(1) Current tax			
(2) Deferred tax		50.57	55.70
(3) Tax Adjustment for earlier years		4.85	(17.46)
(4) MAT credit adjustment for earlier years		-	-
		-	-
		55.43	38.24
Profit (Loss) for the year		140.61	158.34
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		-	-
Income tax relating to above item		-	-
Total other Comprehensive Income		-	-
Total Comprehensive Income for the period		140.61	158.34
Earnings per equity share:			
Basic and Diluted	29	46.72	52.60
The accompanying notes form part of the financial statements	1 to 40		

As set out in our attached report of even date

For Anuja Sharma & Co
 Chartered Accountants
 Firm Registration No. : 140334W

A.P. Chharia
 Anuja Sharma
 Proprietor
 Membership No. 123589

Place: Mumbai
 Date : 30/05/2023



For and on behalf of the Board of Directors

Navfata Gaggar
 Navfata Gaggar
 Director
 DIN:01655621

R. Gaggar
 Ramkant Gaggar
 Director
 DIN-01019838



SUKARTIK CLOTHING'S PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lacs)

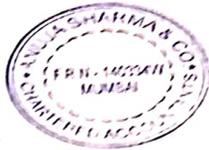
CASH FLOW FROM OPERATING ACTIVITIES	2022-2023		2021-2022	
Net Profit before tax and extraordinary items	196.04		196.58	
Adjustment for:				
Depreciation	93.96		80.48	
Interest / other income	(5.00)		(2.62)	
Interest expenses	117.57		32.97	
Operating profit before working capital changes	402.57		307.42	
Adjustment for:				
Trade receivables	153.12		(318.59)	
Inventories	(49.84)		(153.33)	
Other Financial assets	(14.59)		(1.72)	
Other current assets	(89.81)		(21.29)	
Other Non-Current assets	-		20.22	
Trade payables	(192.61)		(96.88)	
Other Financial liabilities	37.33		12.83	
Other current liabilities	(44.55)		159.07	
Cash generated from operations	201.61		(92.28)	
Direct taxes paid	(50.53)		-	
Cash flow before extraordinary items	151.08		(92.28)	
Extraordinary items	-		-	
NET CASH FLOW FROM OPERATING ACTIVITIES		151.08		(92.28)
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(906.83)		(34.78)	
Sale of Fixed Asset	-		1.00	
(Purchase) / sale of investments (Net)	(17.00)		-	
(Increase) / decrease in deposits	-		(2.19)	
Interest / other income	5.00		2.62	
Dividend received	-		-	
NET CASH USED IN INVESTING ACTIVITIES		(918.83)		(33.35)
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from long term borrowings	-		-	
Repayment of long term borrowings	505.21		(29.03)	
Change in working capital borrowings from banks	406.15		185.45	
Interest paid	(117.57)		(32.97)	
NET CASH FROM FINANCING ACTIVITIES		793.79		123.45
NET INCREASE IN CASH AND CASH EQUIVALANTS (A+B+C)		26.05		(2.18)
OPENING BALANCE OF CASH AND CASH EQUIVALANTS		3.64		5.80
CLOSING BALANCE OF CASH AND CASH EQUIVALANTS		29.69		3.64

Notes to cash flow statement:

- a. The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard 7 on "Statement of Cash Flow" notified w/s # 133 of Companies Act, 2013 ("Act") read with relevant rules issued thereunder and the relevant provisions of the Act.
b. All the figures in brackets are outflow.
c. Previous year's figures have been regrouped wherever necessary.

As set out in our attached report of even date

For Anuja Sharma & Co
Chartered Accountants
Firm Registration No. : 140334W



A.S. edha
Anuja Sharma
Proprietor
Membership No. 123589

Place: Mumbai
Date : 30/05/2023

For and on behalf of the Board of Directors

N. Gaggar
Narayan Gaggar
Director
DIN:01655621

R. Gaggar
Ranjankant Gaggar
Director
DIN:01019838



OTHING PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023

A. Equity Share Capital		(Rs. in Lacs)
Particulars		Value
Balance as at April 1, 2020		30.10
Changes during the year		-
Balance as at March 31, 2021		30.10
Balance as at April 1, 2021		30.10
Changes during the year		-
Balance as at March 31, 2022		30.10

Particulars	Reserves and Surplus				Other Comprehensive income	Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings			
Balance at the beginning of the reporting period i.e. 1st April, 2020	-	520.90	480.28	-	-	1,001.18
Profit for the year	-	-	158.34	-	-	158.34
Other Comprehensive Income for the year*	-	-	-	-	-	-
Balance at the end of the reporting period i.e. 31st March, 2021	-	520.90	638.62	-	-	1,159.52
Balance at the beginning of the reporting period i.e. 1st April, 2021	-	520.90	638.62	-	-	1,159.52
Profit for the year	-	-	140.61	-	-	140.61
Other Comprehensive Income for the year*	-	-	-	-	-	-
Balance at the end of the reporting period i.e. 31st March, 2022	-	520.90	779.23	-	-	1,300.13

*Movement in other comprehensive income relates to remeasurements of the net defined benefit plans

Nature of reserves

a) **Securities Premium Reserve:** Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013

b) **Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to other reserve, dividends or other distributions paid to shareholders.

c) **Capital Reserve:** The reserve is utilised in accordance with the provision of the Companies Act, 2013.

Contingent Liabilities and Commitments
(To the extent not provided for)

30

Significant Accounting Policies

2

The accompanying notes from part of the financial statements

1 to 40

As set out in our attached report of even date

For Anuja Sharma & Co
Chartered Accountants
Firm Registration No. : 140334W

Anuja Sharma

Anuja Sharma
Proprietor
Membership No. 123589



For and on behalf of the Board of Directors

Navratan Gaggar
Navratan Gaggar
Director
DIN:01655621

Ranjana Gaggar
Ranjana Gaggar
Director
DIN:01019838



Place: Mumbai
Date : 30/05/2023

SUKARTIK CLOTHING PRIVATE LIMITED
Notes to financial statements for the year ended 31st March 2023

1 Corporate Information

Sukartik Clothing Private Limited (the Company) was incorporated to carry on the business of manufacturing of seamless garments. The registered office of the Company is at 28, Bombay Samachar Marg, 3rd Floor, Fort, Mumbai - 400023, Maharashtra, India.
The financial statements for the year ended March 31, 2023 were authorized and approved for issue by the Board of Directors on May 30, 2023.

2 Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which have been measured at fair value amount.

The financial statements of the company have been prepared to comply with the Indian Accounting Standards ('Ind AS'), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

Upto the year ended 31st March, 2019, the Company has prepared its financial statements in accordance with the requirement of Indian GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as 'Previous GAAP'.

These financial statements are the Company's first Ind AS financial statement.

Company's financial statements are presented in Indian Rupees (Rs.), which is its functional currency.

2.2 Use of estimates

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

2.3 Summary of Significant Accounting Policies

(a) Property, Plant & Equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

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 the entity and the cost can be measured reliably.

The 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.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.



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(b) Intangible asset

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebate less accumulated amortisation/ depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate assets, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Company and cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(c) Depreciation and amortisation

Depreciation on property, plant and equipment is provided using straight-line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013.

(d) Inventories

Inventories are stated at lower of cost/unamortised cost or realisable value. The company evaluates the realisable value and/or revenue potential of inventory based on management estimate of market conditions and future demand and appropriate impairment is made in cases where accelerated impairment is warranted.

(e) Cash and cash equivalents

Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(f) Cash Flow Statement

Cash flows are stated using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(g) Financial Assets

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition 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.

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment assessment of financial assets other than those measured at fair value through profit and loss (FVTPL).

The company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.



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(h) Financial Liabilities

Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

Subsequent measurement:

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(i) Employee Benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

(j) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Deferred Tax

Deferred Tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred income tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

(k) Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Exchange differences arising on settlement of transactions are recognised in Statement of Profit or Loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on translation are recognised in Other Comprehensive Income.

(l) Revenue recognition

Revenue is recognised to the extent it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

(m) Other income

Interest Income from a financial asset is recognised using Effective Interest Rate (EIR) Method.

Dividend income is recognised when the Company's right to receive the payment has been established.



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(n) **Earnings per share**

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(o) **Provisions & Contingencies**

Provisions are recognised when the Company has a present obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a financial cost.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.



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Note 3: Property, plant and Equipment

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK			
	As on 31.03.2022	Additions during the year	Deduction during the year	As on 31.03.2023	Total upto 31.03.2022	Provided for the year	WDY adjusted against Opening P & L A/c	Written back during the year	Total upto 31.03.2023	Total as on 31.03.2023	Total as on 31.03.2022
Property, plant & equipment											
Land	172.55	-	-	172.55	-	-	-	-	-	172.55	172.55
Office Premises	7.46	-	-	7.46	1.42	0.36	-	-	1.78	5.68	6.04
Factory Building	209.73	-	-	209.73	27.69	7.07	-	-	34.76	174.97	182.05
Plant & Machines	650.59	235.46	-	886.05	215.97	71.73	-	-	287.69	598.36	434.62
Furniture & Fixtures	43.05	8.32	-	51.37	16.74	5.14	-	-	21.88	29.48	26.30
Computers	3.25	-	-	3.25	2.59	0.57	-	-	3.16	0.09	0.66
Vehicles	29.96	17.43	-	47.39	14.81	5.45	-	-	20.26	27.13	15.15
Office Equipments	36.05	6.08	-	42.12	27.25	3.65	-	-	30.89	11.23	8.80
Total tangible assets	1,152.63	267.29	-	1,419.93	306.47	93.96	-	-	400.43	1,019.50	846.16
Intangible assets											
Computer software	0.50	-	-	0.50	0.50	-	-	-	0.50	-	-
Total intangible assets	0.50	-	-	0.50	0.50	-	-	-	0.50	-	-
TOTAL AS AT 31.03.2023	1,153.13	267.29	-	1,420.43	306.97	93.96	-	-	400.93	1,019.50	846.16

Note 3: Capital Work-in-Progress

Costs	Plant & Machinery	Total
As at April 1, 2022	234.77	234.77
Additions	874.31	874.31
Capitalised During the year	234.77	234.77
As at March 31, 2023	874.31	874.31

CWIP	Amount in CWIP for a period of		
	Less than 1 year	1-2 years	2-3 years
Project in progress	874.31	-	-
Project temporarily suspended	-	-	-
			More than 3 years
			Total
			874.31



SUKARTIK CLOTHING PRIVATE LIMITED
Notes on Financial Statements for the year ended 31st March 2023

(Rs in Lacs)

Particulars	As at 31.03.2023	
	As at 31.03.2023	As at 31.03.2022
Note 4 : INVESTMENT (at cost)		
Max Life - Growth Super Fund *	17.00	-
* Unit Linked Non-Participating Individual Life Insurance Plan for Mr. Navratan Gagar(Director)		
Total	17.00	-
Note 5 : OTHER FINANCIAL ASSETS		
Security Deposits	30.87	15.41
Total	30.87	15.41
Note 6 : INVENTORIES		
(Refer note 2.3-d)		
Raw Materials and components	364.29	331.76
Stock in trade	48.47	82.17
Finished goods	395.36	347.27
Stores, spares and Consumables	60.12	57.21
Total	868.24	818.40
Note 7 : TRADE RECEIVABLES		
(Unsecured and Considered good)		
Trade Receivables	956.45	1,109.56
Total	956.45	1,109.56

There are no outstanding trade receivables from any directors or other officers of the Company or any of them either severally or jointly with any other person.

As at 31st March, 2023

Particulars	Outstanding for following periods					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i)Undisputed Trade Receivable-Consider Good	763.54	56.72	27.32	-	108.87	956.45
(ii)Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit Impaired	-	-	-	-	-	-
TOTAL	763.54	56.72	27.32	-	108.87	956.45

As at 31st March, 2022

Particulars	Outstanding for following periods					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i)Undisputed Trade Receivable-Consider Good	908.00	85.22	58.22	43.73	14.40	1,109.56
(ii)Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit Impaired	-	-	-	-	-	-
TOTAL	908.00	85.22	58.22	43.73	14.40	1,109.56

Note 8 : CASH AND BANK BALANCES

Cash and Cash equivalents	0.07	0.07
Balances with Bank	29.61	3.57
Cash on hand		
Total	29.69	3.64



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SUKARTIK CLOTHING PRIVATE LIMITED
Notes on Financial Statements for the year ended 31st March 2023

(Rs. in Lacs)

Particulars	As at 31.03.2023	As at 31.03.2022
Note 9 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS ABOVE		
Other bank balances:		
In fixed deposit account with maturity less than 12 months	7.24	7.24
Total	7.24	7.24
Note 10: CURRENT LOANS		
Unsecured, considered good	1.99	2.86
Loan to employees	0.01	0.01
Loans to Others		
Total	1.99	2.86
Note 11 : OTHER FINANCIAL ASSETS		
Unsecured, considered good		
Interest receivable	0.54	0.54
Total	0.54	0.54
Note 12 : OTHER CURRENT ASSETS (Unsecured, considered good unless otherwise stated)		
Prepaid expenses	4.33	0.79
Advance to suppliers	93.49	7.60
Other Receivables	0.24	0.24
Balance with Statutory Authorities	135.00	134.62
Total	233.06	143.25



SUKARTIK CLOTHING PRIVATE LIMITED
Notes on Financial Statements for the year ended 31st March 2023

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
Note 13 : EQUITY				
<u>Authorised</u>				
Equity Shares of Rs.10/- each	301,000	30.10	301,000	30.10
<u>Issued,Subscribed and Paid up</u>				
Equity Shares of Rs.10/- each	301,000	30.10	301,000	30.10
Total	301000	30.10	301000	30.10

a : During the current year and in the previous year, there have been no movements in the numbers of equity shares outstanding.

b : Details of Shareholders holding more than 5% of shares of the company:-
Name of Shareholder

Name of Shareholder	As at 31 March 2023		As at 31 March 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Garnet International Limited	211,000	70.10	211,000	70.10
Ramakant Gaggar	30,000	9.97	30,000	9.97
Suresh Gaggar	30,000	9.97	30,000	9.97
Navratan Gaggar	30,000	9.97	30,000	9.97

c : Terms/Rights attached to Equity Shares:-

(i) The Company has only one class of Equity shares having par value of Rs. 10/- per share.

(ii) Each holder of Equity share is entitled to one vote per share.

(iii) In the event of Liquidation of the Company , the holders of Equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues(if any) .The distribution will be in proportion to the number of equity shares held by the shareholders.

d : Share held by holding company:

Name of the company	Numbers	% of Holding	Numbers	% of Holding
Garnet International Limited	211000	70.10	211000	70.10

e. Details of Shareholding of Promoters at the beginning and at the end of the year

Name of Promoter	As at 31.03.2023		As at 31.03.2022		% Change during the year
	No. of Share	Shares	No. of Share	Shares	
Garnet International Limited	211,000	70.10	211,000	70.10	0.00
Ramakant Gaggar	30,000	9.97	30,000	9.97	0.00
Suresh Gaggar	30,000	9.97	30,000	9.97	0.00
Navratan Gaggar	30,000	9.97	30,000	9.97	0.00
TOTAL	301,000	100	301,000	100	-

Note 14 : OTHER EQUITY

a. Securities Premium Account

Balance as per the last financial statements

	520.90	520.90
Sub-total	520.90	520.90

b. Surplus in the Statement of Profit and Loss

Balance or (deficit) as per the last financial statements

Add/(Less): Net Profit/(Loss) for the year

	638.62	480.28
	140.61	158.34
Sub-total	779.23	638.62

c. Other Comprehensive income

Balance as per the last financial statements

Add: Movement in OCI (Net) during the year

	-	-
	-	-
Sub-total	-	-
Total	1,300.13	1,159.52

Note 15 : BORROWINGS

Secured

Term Loans from banks (refer note no 15.1)

	557.62	52.40
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Unsecured

Loans and advances from related parties (refer note no 15.2 and 32)

	357.51	357.51
--	--------	--------

Total	915.13	409.92
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15.1 : Terms of Repayment and Security details of Term Loans :

Name of the Bank	AXIS BANK	AXIS BANK	HDFC AUTO LOAN	HDFC AUTO LOAN
Type of Loan	Term Loan	Term Loan	Vehicle Loan	Vehicle Loan
Loan Account No.	52450564	97121421	120709601	140000676
Amount sanctioned	82,500,000	14,500,000	421,761	1,580,902
Amount availed	66,310,887	14,500,000	421,761	1,580,902
Sanction Date	31/08/2022	31/12/2019	05/09/2021	29.03.2023
Total No of Instalments	42	42	60	60
No of Instalments paid	0	15	19	0
No. of balance Instalments to be paid	42	27	41	60
Amount of Instalment	1145830	268000	8522	32623
Repayment Type	Monthly	Monthly	Monthly	Monthly

Nature of Security

1. Term Loans from Axis bank is secured by way of Equitable Mortgage of Industrial Property situated at Ludhiana.
2. Personally guaranteed by two directors of the company.
3. Vehicle loan is secured by hypothecation of specific vehicles acquired from the loan.

15.2 Maturity profile of other unsecured loans are as under:

Name of lender	Garnet International Limited
Loan Reference No.	1
Interest rate	9%
Repayment of loan	Long term



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SUKARTIK CLOTHING PRIVATE LIMITED
Notes on Financial Statements for the year ended 31st March 2023

Particulars		(Rs. in Lacs)	
		As at 31.03.2023	As at 31.03.2022
Note 16: DEFERRED TAX LIABILITIES (net)			
	Difference between book and tax depreciation	45.14	23.96
	Total	45.14	23.96
Note 17: BORROWINGS			
	Secured		
	Loans repayable on demand from banks:		
	Working Capital Loan	662.05	486.55
	Current maturities of long-term debts (refer note no 15)	173.70	33.66
	Unsecured		
	Loans repayable on demand from related parties	216.09	125.49
	Total	1,051.85	645.69
Nature of Security :			
1. Secured by way of Equitable Mortgage of Industrial Property situated at Ludhiana.			
2. Secured by way of 2nd charge on the entire current assets of the company.			
3. Personally guaranteed by two directors of the company.			
Note 18: TRADE PAYABLES			
	Due to Micro and Small Enterprises *	-	-
	Others	542.36	734.97
	Total	542.36	734.97

* Based on the information available with the company in response to the enquiries from all existing suppliers with whom the company deals, there are no suppliers who are registered as micro and small enterprises under 'The Micro, Small and Medium Enterprises Development Act, 2006' as at 31.03.2023

Trade Payable Ageing Analysis

As at 31st March, 2023

Particulars	Outstanding for following periods				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	-	-	-	-	-
(ii)Others	528.21	0.39	-	13.75	542.36
(iii)Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
TOTAL	528.21	0.39	-	13.75	542.36

As at 31st March, 2022

Particulars	Outstanding for following periods				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	-	-	-	-	-
(ii)Others	697.44	19.29	13.92	4.32	734.97
(iii)Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
TOTAL	697.44	19.29	13.92	4.32	734.97

Note 19: OTHER FINANCIAL LIABILITIES			
	Other accrued expenses		
	to others	51.09	33.82
	to related parties (refer note no.32)	39.24	19.18
	Total	90.32	52.99
Note 20: OTHER CURRENT LIABILITIES			
	Statutory Liabilities	5.30	3.37
	Advance from Customers	9.20	85.78
	Total	14.50	89.16
Note 21: CURRENT TAX LIABILITIES (net)			
	Provision for Taxation (net of taxes paid)	49.36	19.21
	Provision for Tax	53.99	58.48
	Less : Advance tax	4.63	21.53
	Total	49.36	19.21



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SUKARTIK CLOTHING PRIVATE LIMITED
Notes on Financial Statements for the year ended 31st March 2023

Particulars	2022-2023	(Rs. in Lacs) 2021-2022
Note 22: REVENUE FROM OPERATION		
Sale of Products :		
Garments		
Local	3,766.51	3,342.32
Total	3,766.51	3,342.32
Note 23: OTHER INCOME		
Interest		
on Fixed Deposits	0.00	2.22
Miscellaneous income	-	0.40
Items wrongly classified as Expenses last year instead of Investment	5.00	-
Total	5.00	2.62
Note 24: COST OF MATERIALS CONSUMED		
Opening stocks:		
Raw Material		
Yarn	215.00	147.78
Dyes & Chemicals	116.75	117.11
Add : Cost of purchases		
Raw Materials		
Yarn	614.11	827.21
Dyes & Chemicals	862.89	746.71
Less: Closing stock		
Raw Material		
Yarn	239.19	215.00
Dyes & Chemicals	125.10	116.75
Total	1,444.46	1,507.06
Note 25: CHANGES IN INVENTORIES		
Opening Stock:		
Finished goods	347.27	236.82
Stock in trade	82.17	74.01
Work in progress	-	-
Closing Stock:		
Finished goods	395.36	347.27
Stock in trade	48.47	82.17
Work in progress	-	-
Total	(14.39)	(118.61)
Note 26: EMPLOYEE BENEFIT EXPENSE		
Salaries and Wages		
To Directors Relatives	-	-
To others	685.16	553.78
Contribution to Provident and Other Funds	10.80	6.55
Staff Welfare Expenses	10.47	8.44
Total	706.43	568.77
Note 27: FINANCE COST		
Interest expense on		
On loans	24.48	12.76
Bill discounting facility	59.80	-
Others	0.00	0.05
Cash Credit Facility	32.91	19.99
Bank Charges	0.38	0.16
Total	117.57	32.97



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SKARTIK CLOTHING PRIVATE LIMITED
Notes on Financial Statements for the year ended 31st March 2023

Particulars		(Rs. in Lacs)	
Note 28: OTHER EXPENSES		2022-2023	2021-2022
A) Manufacturing Expenses			
Job charges			
Power and fuel	18.88	48.15	
Freight & Cartage Inwards	230.51	217.71	
Stores and spares consumed	6.99	5.03	
Insurance	793.75	594.98	
Repairs & Maintenance(Machinery)	0.78	9.00	
	77.85	57.77	
Total- (A)	1,128.76	932.65	
B) Administrative and General Expenses			
Brokerage and Commission		1.61	
Communication Expenses	5.00	3.92	
Limit processing fee	4.74	0.97	
Legal and Professional Charges	3.99	2.95	
Auditors' remuneration (refer note 31)	3.46	1.00	
Membership and Subscription	1.18	0.46	
Miscellaneous Expenses	2.40	89.88	
Printing and Stationery	28.20	3.87	
Rates & Taxes	3.80	-	
Repairs & Maintenance	-	6.04	
Directors Remuneration	10.62	12.00	
Bad Debts	12.00	-	
Donation	-	0.63	
	0.04		
Total- (B)	75.43	123.33	
C) Selling and Distribution Expenses			
Sales Promotion Expenses	0.31	0.39	
Packing Expenses	0.10	0.12	
Travelling and Conveyance	17.58	19.90	
D) Net Foreign exchange loss (gain)	(0.85)	0.06	
Total- (C)	17.14	20.47	
Total (A+B+C)	1,221.34	1,076.45	
Note 29: EARNING PER SHARE			
	UNIT	2022-2023	2021-2022
Weighted average number of Equity Shares	Numbers	301,000	301,000
Nominal Value of a Share	Rs.	10.00	10.00
Profit/ (Loss) for the year	Rs. in Lacs	140.61	158.34
Basic and Diluted Earning Per Share	Rs.	46.72	52.60
Note 30: CONTINGENT LIABILITIES AND COMMITMENTS:			
Contingent liabilities not provided:		2022-2023	2021-2022
Undertakings given by the company under EPCG Scheme, pending fulfillment of export obligation	Rs.	11.44	11.44
Note 31: PAYMENT TO AUDITORS			
Audit Fees		0.59	0.50
Tax Audit Fees		0.35	0.30
Taxation Matters		0.24	0.20
Certification			
		1.18	1.00



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SUKARTIK CLOTHING PRIVATE LIMITED
Notes on Financial Statements for the year ended 31st March 2023

Note 32: RELATED PARTY DISCLOSURES

Related party disclosures as required by Ind AS -24 "Related Party Disclosures" are given below :

1) Names of related parties and description of relationships

a) **Holding Company**
 Gamet International Limited

b) **Directors**
 Ramakant Gaggar
 Navratan Gaggar
 Sandhya Lotlikar

c) **Other related parties with whom transactions have taken place during the year**
 Vatsal Vastran Private Limited
 Entity controlled by Director

11) Transactions during the year and balances outstanding as at year end with the related parties are as follows:

Particulars	Volume of the transaction			(Rs. in Lacs)	
	2022-2023	2021-2022	2022-2023	Balance as on	
				2021-2022	
Non current liabilities					
Inter corporate borrowings					
Gamet International Limited	-	-	357.51		357.51
Vatsal Vastran Private Limited	216.09	-	216.09		125.49
Indirect Expenses					
Directors Remuneration	12.00	12.00	36.83		9.48

Note:

- 1) Related party relationship is identified by the Company and relied upon by the auditors.
 2) Figure in the brackets pertains to previous year.

111) During the year, Company has not entered into any transactions with any entities owned / controlled by the directors .

Note 33: Fair Value Measurements

There is no material fair value measurement on Ind AS adoption.

Note 34: The company operates in a single segment i.e. textile (seamless garment manufacturing) having the same risk and return. Hence reporting as per Indian Accounting Standard (Ind AS) 108 "Operating Segments" is not applicable.

Note 35: No provision has been made for accrued liability in respect of gratuity payable to employees, as the Company is in the process of taking actuarial valuation certificate for present value of future liabilities.

Note 36: Previous year's figures are regrouped, rearranged, or recast wherever necessary to conform to this year's classification.

Note 37: Disclosure of ratios :

Please find below ratios to be disclosed as per the Schedule III of the Companies Act :-

Ratio	31st March 2023	31st March 2022	Variance	Reason for variance of more than 25%
Current ratio	1.20	1.35	11.31%	Increase in current liability led to decrease in current ratio.
Return on equity ratio	0.11	0.13	20.58%	Decrease in profit by approx. 11.20%
Net profit ratio	0.04	0.05	21.20%	Decrease in profit by approx. 11.20%
Debt Equity ratio	1.48	0.78	-89.12%	-
Trade Receivable turnover ratio	3.65	3.52	-3.67%	Due to increase in sales and decrease in Debtors.
Trade Payable turnover ratio	2.31	2.01	-15.11%	Due to increase in sales and decrease in Debtors.
Net Capital Turnover ratio	10.80	6.15	-75.58%	Due to change in working capital by 35.82%



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As set out in our attached report of even date

As set out in our attached report of even date

iii) The company has not classified any property as Investment property, hence fair valuation of Investment property by a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 does not arise.

iii) The Company has not revalued any of its Property, Plant and Equipment during the current reporting period and also reporting period and also for previous year's reporting period.

iv) During the financial years ended 31 March 2023 and 31 March 2022, the Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person (a) repayable on demand or (b) without specifying any terms or period of repayment.

v) The Company does not have any intangible assets under development during the current and previous year reporting period

vi) There is no Benami Property held by the Company and there is no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

vii) The Company has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Company with such banks are in agreement with the books of accounts of the Company

viii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

ix) The Company does not have any relationship with Struck off Companies.

x) There is no charges or satisfaction in relation to any debt / borrowings yet to be registered with ROC beyond the statutory period.

xi) The Company does not have investment in any downstream companies for which it has to comply with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017, hence no disclosure is required as such.

xii) The Company has not advanced or loaned or invested funds (either borrowed funds or Share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall; a) Directly or indirectly lend or invest in other person(s) or entity (ies) 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. Hence no disclosure is required as such.

xiii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Parties) with the understanding (whether recorded in writing or otherwise) that the company shall;

a) Directly or indirectly lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) Or

b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. Hence no disclosure is required as such.

xiv) The company has not recorded any transaction 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.

xv) The company has not traded or invested in crypto currency or virtual currency during the financial year.

xvi) The Company is not required to comply with the provisions of Section 135 of the Companies Act, 2013.

Note 39 : The Company has neither paid nor provided interest on its borrowing during the financial year.

Note 40 : Balances of Current assets, Current Liabilities and Loans & Advances are subject to confirmation / reconciliation, if any.

<p>As set out in our attached report of even date</p> <p>For Anuja Sharma & Co Chartered Accountants Firm Registration No. : 140334W</p> <p><i>A. P. Adhis</i></p> <p>Anuja Sharma Proprietor Membership No. 123589</p> <p>Place: Mumbai Date : 30/05/2023</p>		<p>For and on behalf of the Board of Directors</p> <p><i>Navrtny Gagar</i> Navrtny Gagar Director DIN:01655621</p> <p><i>Ramkanti Gagar</i> Ramkanti Gagar Director DIN:01019838</p> 
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