

S. H. Kukreja & Co.

Chartered Accountants.

Office No.10, Ground Floor, Sai Mannat Apartment, Opp. Swami Hansmunj Maharaj Degree College, Jai Baba Dham Road, Ulhasnagar – 421005. Tel : 0251- 2536001 , Cell : 9833414767 ,
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**REPORT OF THE AUDITORS TO THE MEMBERS OF
PRPL GARMENTS PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of PRPL GARMENTS PRIVATE LIMITED which comprise the Balance Sheet as at 31st March , 2019, and the Statement of Profit and Loss for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters 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 and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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.

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 financial control relevant to the Company's preparation of the financial statements that give true and fair view 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 the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2019; and
- (b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- I. Requirements of the Companies (Auditor's Report) Order, 2015("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, are not applicable.
- II. 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 confirmation of those books
 - c) The Balance Sheet, and Statement of Profit and Loss 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 written representations received from the directors as on 31 March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts

Place : Ambarnath
Dated : 12/09/2019



For S. H. KUKREJA & CO.
Chartered Accountants

A handwritten signature in black ink, appearing to read "S. H. Kukreja".

(S. H. KUKREJA)
Proprietor
Membership No. 047949

Annexure A to the Auditors' Report

The Annexure referred to in our report to the members of the Company on the financial statements for the year ended on 31 March 2019, we report that:

- I. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets

(b) The Company has regular programme of physical verification of its fixed Assets by which, fixed assets are verified in accordance with this programme and no discrepancies were noticed on such verification.
- II. (a) As explained to us, stocks of finished goods have been physically verified by the management during the year.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management were found reasonable and adequate in relation to the size of the company and the nature of its business.

(c) No material discrepancy has been noticed on verification between the physical stocks and book records as reported by the management.
- III. The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained u/s.189 of the Companies Act
- IV. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made
- V. The Company has not accepted any deposits from the public
- 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
- VII. According to the information and explanation given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of accounts in respect of the undisputed statutory dues, income tax, sales tax, custom duty, excise duty, service tax, value added tax, and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanation given to us, no undisputed amounts payable in respect of income tax, sales tax, custom duty, excise duty, service tax, value added tax, goods and services and other material statutory dues were in arrears as at 31.3.2019 for the period of more than 6 months from the date they become payable.



- VIII. The Company did not have any overdue outstanding dues to financial institutions, banks or debenture holders during the year
- IX. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and term loans were applied for the purposes for which those are raised.
- X. According to information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- XI. The Company is the Private Limited Company, Accordingly provisions of the Section 197 read with Schedule V of the Act regarding managerial remuneration is not applicable.
- 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 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 177 and 188 of the Act where applicable and details of transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- XIV. According to 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.
- XV. According to information and explanations given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- XVI. The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934

Place : Ambernath
Dated : 12/09/2019



For S. H. KUKREJA & CO.
Chartered Accountants

(S. H. KUKREJA)
Proprietor.

Membership No. 047949

Annexure B to the Auditors' Report

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 PRPL Garments Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the stand alone 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. 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 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 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 March 31, 2019, 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.

Place : Ambernath
Dated : 12/09/2019



For S. H. KUKREJA & CO.
Chartered Accountants

S. H. Kukreja

(S. H. KUKREJA)

Proprietor.

Membership No 0479455

BOARD'S REPORT

Dear Members,
PRPL Garments Private Limited

Your Directors present the 6th Report of the Board of Directors for the Financial Year ended 31st March 2019.

1. Financial Highlights:

The Financial performance of the Company during the F.Y. 2018-2019 is as under:

(Amount in INR)

Particulars	31 st March 2019	31 st March 2018
Sales	12,68,52,169	2,62,08,959
Net Profit/(Loss) (PBDT)	44,84,660	19,87,886
Less : Depreciation	2,72,596	2,36,369
Profit after depreciation but before tax (PBT)	42,12,065	17,51,517
Less : Taxes	10,05,931	3,50,887
Net profit / (loss) for the period	32,06,134	14,00,630
No. of Shares	10,000	10,000
EPS	320.61	140.06

2. Company's Affairs

During the Financial Year under review, the Company has incurred a net profit of Rs. **3,206,134/-** as against a net profit of Rs. **14,00,630/-** of the previous year.

3. Transfer to Reserve

The Company did not transfer any amount to Reserves during the period under review.

4. Share Capital

During the Financial Year under review the Company has not:

- A) Issued Equity Shares with Differential Rights
- B) Issued Sweat Equity Shares
- C) Issued Employee Stock Options

5. Public Deposits

The Company has not accepted deposits falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

6. Details of Subsidiary, Associates and Joint Ventures

The Company does not have Subsidiary (as per Section 2(87) of the Companies Act, 2013 or Associate Company as per Section 2(6) of the Companies Act, 2013, further it has not entered into Joint Venture with any other entity.

7. Change In The Nature Of Business

There were no changes in the nature of business during the financial year ended March, 31st 2019.

8. Dividend And Transfer To IEPE

Your Directors have not recommended payment of any dividend on equity shares for the year ended 31st March, 2019.

The Company was not required to transfer any unclaimed/unpaid amount of dividend in accordance of the provisions of Section 125(2) of the Companies Act, 2013 as the same is not applicable.

9. Material changes and commitment occurred between end of the Financial Year to which this Financial Statements relate and the date of the report, if any affecting financial position of the Company:

There were no material changes and commitments affecting the financial position of the Company between end of the financial year to which this financial statements relate and the date of the report.

10. Significant and Material orders passed by the Regulators or Courts or Tribunal

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

11. Directors' Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013 in relation to financial statements for the year ended 31st March 2018, the Board of Directors state that:

- a. In the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures
- b. The Directors had 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 at the end of the financial year and of the Profit and Loss of the company for that period;
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The financial statements have been prepared on a going concern basis.
- e. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

12. Conservation of Energy, Technology Absorption & Foreign Exchange earnings and outgo

Conservation of Energy

- i. The Steps Taken Or Impact On Conservation Of Energy: NIL
- ii. The Steps Taken By The Company For Utilizing Alternates Source Of Energy: NIL
- iii. The Capital Investment on energy conservation equipments: NIL

(A) Technology Absorption

- i. The efforts made towards technology absorption: NIL
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- iii. In case of imported technology (imported during last three years reckoned from beginning of financial year)
 - (a) Details of technology imported: Nil
 - (b) Year of Import: Nil
 - (c) Whether technology has been fully absorbed: Nil
 - (d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof: Nil
- iv. The expenditure incurred on Research and Development: Nil

(B) Foreign Exchange Earnings and Outgo

The details of Foreign exchange earnings and outgo during the period under review is as under:

Particulars	As at March 31, 2019 (In Rs.)	As at March 31, 2018 (In Rs.)
Foreign Exchange earned	Nil	Nil
Foreign Exchange used	Nil	Nil

13. Related Party Transactions

During the year under review, related party transactions entered into by the Company are in compliance with section 177 and 188 of the Companies Act 2013 and rules framed there under and details of the same forms part of Notes to the Financial statements.

14. Directors:

PRPL GARMENTS PRIVATE LIMITED
M-2, ANAND NAGAR, ADDITIONAL MIDC, AMBARNATH-421506
CIN-U72300MH2013PTC248597

There is change in composition of Board of Directors during Financial Year under review is as follows:

Sr. No.	Name of Directors	DIN No.	Changes
1	Hiren Bechar Patel	01375968	NO CHANGE
2	Dhanji Raghu Patel	01376164	NO CHANGE
3	Bechar Raghavji Patel	02169626	NO CHANGE
4	Bharat Haribhai Patel	07705156	01/08/2018 (Appointment)

15. Auditors

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the members of the Company in the Annual General Meeting held on 30th September 2015 had appointed **S. H. Kukreja & Co.**, Chartered Accountants, Mumbai [Registration No. 047949] as statutory auditors of the Company for 5 consecutive financial years until 2020.

However Ministry of Corporate Affairs vide its notification dated 7th May 2018 has done away with the requirement of the ratification of the appointment of Statutory Auditors and hence M/s. **S. H. Kukreja & Co.**, and shall act as Statutory Auditors till the AGM to be held for the year 2019-20

16. Auditors Report

The Statements made by the Auditors in their report are self-explanatory and doesn't require any comments by the Board of Directors.

17. Particulars of Loans, Guarantees and Investments

The company has not given any Loans, Guarantees or made Investments during the year as covered under the provisions of section 186 of the Companies Act, 2013.

18. Borrowing from Director

The Company has borrowed any funds from Director during the financial year 2018-19. The details of the borrowings form a part of financial statements.

19. Meetings of the Board

The Board of Directors duly met Six times during the Financial Year 2018-19

20. Internal Control Systems And Their Adequacy

The management continuously reviews the internal control systems and procedures for the efficient conduct of your Company's business. Your Company adheres to the prescribed guidelines with respect to the transactions, financial reporting and ensures that all its assets are safeguarded and protected against losses.

PRPL GARMENTS PRIVATE LIMITED

M-2, ANAND NAGAR, ADDITIONAL MIDC, AMBARNATH-421506

CIN-U72300MH2013PTC248597

Internal Control Systems are implemented to safeguard your Company's assets from loss or damage, to keep constant check on purposes and the cost structure, to prevent revenue leakages, to provide adequate financial and accounting controls and implement accounting standards.

21. Extract of Annual Return

The Extract of Annual Return in form MGT-9 as prescribed under the provisions of Section 92 of the Companies Act, 2013 is annexed hereto as "Annexure A".

22. PARTICULARS OF EMPLOYEES

The Company wishes to place on record their appreciation to the contribution made by the employees to the operations of the Company during the period.

During the year under review there were no employees who were in receipt of the remuneration aggregating to Rs. 10,200,000/- per annum throughout the year or Rs. 850,000/- per month for any part of the year pursuant to section 197 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014.

Details as per rule 5(2) of the Companies (Appointment and Remuneration) Rules 2014 (as amended) with respect to particulars of top ten employees in terms of remuneration drawn will be available for inspection at the registered office of the Company.

23. CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 with respect to Corporate Social Responsibility are not applicable to the Company.

24. WEB LINK

The Company doesn't have any website

25. DETAILS OF FRAUDS REPORTED BY AUDITOR

No frauds u/s 143 (12) are reported by the Auditor hence no Disclosures required in this regard.

26. CONSTITUTION OF COMMITTEE - SEXUAL HARASSMENT AT WORKPLACE

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, no case of sexual harassment of Women at

PRPL GARMENTS PRIVATE LIMITED
M-2, ANAND NAGAR, ADDITIONAL MIDC, AMBARNATH-421506
CIN-U72300MH2013PTC248597

workplace was reported. The Company has in place the committee under the Sexual Harassment of Women at (Prevention, Prohibition and Redressal) Act, 2013.

27. COST RECORD

The provisions of Cost records as per section 148 are not applicable to the Company.

28. AFFIRMATION

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

29. ACKNOWLEDGEMENT:

Your Board place on record their appreciations of the whole hearted and sincere co-operation received by the Company during the year from the customers/clients, bankers and various authorities at all levels.

By Order of the Board

PRPL Garments Private Limited

Date : 12th September, 2019
Place: Mumbai

D


Mr. Dhanji R Patel
Director
DIN: 01376164

B


Mr. Bharat H Patel
Director
DIN: 07705156

PRPL Garments Private Limited
Balance Sheet as at 31st March, 2019

(Amount In Rupees)

Particulars	Note No.	As at 31 March, 2019 Current Year	As at 31 March, 2018 Current Year
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	100,000.00	100,000.00
(b) Reserves and surplus	2	3,238,939.23	32,805.61
		3,338,939.23	132,805.61
2 Non-current liabilities			
(a) Long-term borrowings	3	56,070,217.00	22,496,000.00
(b) Deferred tax Liabilities(net)		-	-
		56,070,217.00	22,496,000.00
3 Current liabilities			
(a) Trade payables	4	99,311,347.55	17,909,202.98
(b) Other current liabilities	5	5,664,884.00	7,067,648.86
		104,976,231.55	24,976,851.84
TOTAL		164,385,387.78	47,605,657.45
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	6	570,708.17	679,731.34
(ii) Intangible assets		90,972.24	124,440.46
		661,680.41	804,171.80
(b) Long-term loans and advances	7	225,000.00	125,000.00
(c) Deferred tax Assets(net)		70,155.00	38,805.00
		295,155.00	163,805.00
2 Current assets			
(a) Inventories	8	86,616,681.81	15,819,584.27
(b) Trade Receivables	9	71,393,867.23	29,517,687.00
(c) Cash and cash equivalents	10	1,045,697.00	618,960.20
(d) Short term loans & advances	11	4,372,306.33	681,449.18
		163,428,552.37	46,637,680.65
TOTAL	17	164,385,387.78	47,605,657.45

Significant Accounting Policies And Notes To Accounts
As per our report attached.

For S H Kukreja & Co.
Chartered Accountants

S. H. Kukreja

(S H Kukreja)
Proprietor



For and on behalf of the Board of Directors

Dhanji R Patel
Dhanji R Patel
Director

Bechar R Patel
Bechar R Patel
Director

Hiren B Patel
Hiren B Patel
Director

Place : Ambarnath
Date : 12/09/2019

Place : Ambarnath
Date : 12/09/2019



PRPL Garments Private Limited

Statement of Profit and Loss for the year ended 31 March, 2019

(Amount In Rupees)

Particulars	Note No.	For the year ended 31 March, 2019 Current Year	For the year ended 31 March, 2018 Current Year
A CONTINUING OPERATIONS			
1 Revenue From Sales	12	126,334,255.22	26,208,959.02
Other Income	13	517,914.00	-
2 Total revenue		126,852,169.22	26,208,959.02
3 Expenses			
(a) Cost of Material Consumed	14	105,819,319.15	22,093,037.07
(b) Finance cost	15	5,602,531.01	694.50
(c) Employee benefits expense	16	7,175,041.98	1,119,695.00
(d) Depreciation and amortisation expense	6	272,595.58	236,368.96
(e) Other expenses	17	3,770,616.88	1,007,646.08
Total expenses		122,640,104.60	24,457,441.61
4 Profit / (Loss) before tax		4,212,064.62	1,751,517.41
5 Tax expense:			
(a) Current tax expense for current year		1,037,281.00	377,300.00
(b) Current tax expense relating to prior years		-	-
(c) Net current tax expense		1,037,281.00	377,300.00
(d) Deferred tax Liabilities / (Assets)		(31350.00)	(26413.00)
		1005931.00	350887.00
6 Profit / (Loss) for the year		3206133.62	1400630.41
7 Earnings per Equity Share of Face Value Rs 10/-each			
(a) Basic in Rupees		320.61	140.06
(b) Diluted in Rupees		320.61	140.06
No of shares used in computing earning per share			
(a) Basic		10,000	10,000
(b) Diluted		10,000	10,000

Significant Accounting Policies And Notes To Accounts

18

As per our report attached.

For S H Kukreja & Co.

Chartered Accountants

S. H. Kukreja

(S H Kukreja & Co)
Proprietor



For and on behalf of the Board of Directors

Dhanji R Patel

Dhanji R Patel
Director

Bechar R Patel

Bechar R Patel
Director

Hiren B Patel

Hiren B Patel
Director

Place : Ambarnath

Date : 12/09/2019

Place : Ambarnath

Date : 12/09/2019



PRPL Garments Private Limited
Cash Flow Statement for the year ended 31st March, 2019

Particulars	For the year ended 31 March, 2019	
	Amount	Amount
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	4,212,064.62	
<i>Adjustments for:</i>		
Depreciation and amortisation	272,595.58	
Interest income	-	
	<u>4,484,660.20</u>	4,484,660.20
Operating profit / (loss) before working capital changes		
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	-70,797,097.54	
Trade receivables	-41,876,180.23	
Short-term loans and advances	-3,690,857.15	
Long-term loans and advances	-100,000.00	
Deferred Tax Assets	<u>-31,350.00</u>	-116,495,484.92
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	81,402,144.57	
Other current liabilities	-1,402,764.86	
Income tax	<u>-1,005,931.00</u>	78,993,448.71
Net cash flow from / (used in) operating activities (A)		<u>-33,017,376.01</u>
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	-130,104.19	
Net cash flow from / (used in) investing activities (B)		<u>-130,104.19</u>
C. Cash flow from financing activities		
Long-term borrowings	33,574,217.00	
Net cash flow from / (used in) financing activities (C)		<u>33,574,217.00</u>
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		<u>426,736.80</u>
Cash and cash equivalents at the beginning of the year		
(a) Cash on hand	302,880.00	
(b) Balances with banks	<u>316,080.20</u>	
Cash and cash equivalents at the end of the year *		<u>618,960.20</u>
(a) Cash on hand	11,697.00	
(b) Balances with banks	<u>1,034,000.00</u>	
		<u>1,045,697.00</u>

As per our report attached.

For S H Kukreja & Co.
Chartered Accountants

(S H Kukreja)
Proprietor



Place : Mumbai
Date : 12/09/2019

For and on behalf of the Board of Directors

 
Dhanji Patel Bechar Patel Hiron Patel
Director Director Director

Place : Mumbai
Date : 12/09/2019



PRPL Garments Private Limited
Notes Forming Part of the Balance Sheet as at 31st March 2019

Note 1 Share capital

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised				
Equity shares of Rs. 10 each with voting rights	10000	100,000.00	10000	100,000.00
(b) Issued				
Equity shares of Rs. 10 each with voting rights	10000	100,000.00	10000	100,000.00
(c) Subscribed and fully paid up				
Equity shares of Rs. 10 each with voting rights	10000	100,000.00	10000	100,000.00

Details of shares held by each shareholder holding more than 5% shares

Name of shareholder	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Dhanji Raghavji Patel	3334	33.34%	3334	33.34%
Bechar Raghavji Patel	3333	33.33%	3333	33.33%
Hiren Bechar Patel	3333	33.33%	3333	33.33%



PRPL Garments Private Limited
Notes Forming Part of the Balance Sheet as at 31st March 2019

Note 2 Reserves and surplus

Particulars	As at 31 March, 2019	As at 31 March, 2018
(A) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	32,805.61	-1,367,824.80
Add: Profit / (Loss) for the year	3,206,133.62	1,400,630.41
Closing balance	3,238,939.23	32,805.61
Total	3,238,939.23	32,805.61

Note 3 Long-term borrowings

Particulars	As at 31 March, 2019	As at 31 March, 2018
(A) Loans and advances from related parties		
Unsecured		
From Directors		
Dhanji R Patel	38,755,080.00	19,766,000.00
Bechar R Patel	4,392,943.00	2,500,000.00
Bharat H Patel	12,922,194.00	200,000.00
From Others		
Dhananjay Kulthe	-	30,000.00
	56,070,217.00	22,496,000.00
Total	56,070,217.00	22,496,000.00

3.1 Company taken the unsecured loans from directors of Rs. 5,60,70,217/- (Previous Year Rs. 2,24,66,000)

Note 4 Trade Payable

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Trade Payables		
Trade payables	99,311,347.55	17,909,202.98
Total	99,311,347.55	17,909,202.98

4.1 Trade Payables includes goods purchased and Services received in normal course of business

Note 5 Other current liabilities

Particulars	As at 31 March, 2019	As at 31 March, 2018
(A) Other payables		
(i) Statutory remittances		
Income Tax Payable	1,037,281.00	377,300.00
TDS Payable	846,062.00	4,719.00
	1,883,343.00	382,019.00
(ii) Outstanding Expenses		
Salaries to Staff	3,781,541.00	267,035.00



PRPL Garments Private Limited
Notes Forming Part of the Balance Sheet as at 31st March 2019

(iii) Bank Book Overdraft	3,781,541.00	267,035.00
Bank Overdraft -Yes Bank	-	6,418,594.86
	-	6,418,594.86
Total	5,664,884.00	7,067,648.86

5.1 Bank Book Overdraft represent Cheques issued but not presented for payment and is in the nature of Current Liabilities

5.2 All the Statutory Liabilities except SA tax were paid before signing the Balance Sheet

Note 7 Long-term loans and advances

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Security deposits		
Unsecured, considered good		
Deposit of Bhiwandi Warehouse (Purvi Ent)	100,000.00	-
Mumbai Srifal Merchants	100,000.00	100,000.00
Mvat Deposits	25,000.00	25,000.00
	225,000.00	125,000.00
Total	225,000.00	125,000.00

Note 8 Inventories:

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Finished goods	85,967,252.81	15,819,584.27
(b) Raw Materials	649,429.00	-
Total	86,616,681.81	15,819,584.27

Note 9 Trade Receivables

Particulars	As at 31 March, 2019	As at 31 March, 2018
Trade Receivables, More than Six Months		
Unsecured, considered good, More than Six months from due dates.		
Other Trade receivables		
Unsecured, considered good	71,393,867.23	29,517,687.00
Total	71,393,867.23	29,517,687.00

Note 10 Cash and cash equivalents

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Cash on hand	11,697.00	302,880.00
(b) Bank Balance		
Kotak Mahindra Bank Ltd-632011002721	259,893.20	316,080.20



PRPL Garments Private Limited

Notes Forming Part of the Balance Sheet as at 31st March 2019

HDFC Bank-50200035563089	61,502.00
HDFC Bank-50200035244221	51,000.00
Yes Bank-007781300000131	629,586.80
Yes Bank-012281300000052	9,774.00
Yes Bank-012281300000109	22,244.00

Total

1,045,697.00 **618,960.20**

Note 11 Short-term loans and advances

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Balances with government authorities		
GST Receivable	3,720,635.33	603,357.18
(b) Prepaid Expenses		
Prepaid Insurance	103,167.00	43,092.00
Prepaid Rent	392,504.00	-
(c) Others - advances & Receivables		
Anwar Ali	-	32,000.00
Malek Amdkhan	-	3,000.00
Sanjay Gupta	6,000.00	-
Ramesh Luhar	150,000.00	-
Interbranch	-	-
Total	4,372,306.33	681,449.18

11.1 GST Receivable includes GST Paid Under Reverse Charge Eligible for ITC



PRPL Garments Private Limited
Accounting Year 2018 - 2019

Note "6" Fixed Assets And Depreciation there on

(Amount in Rupees)

Name of Fixed Assets	Gross Block			Dep Rate	As on 31/03/2019	Depreciation		Net Block As on 31/03/2019	Net Block As on 31/03/2018	
	OPENING BALANCE	Additions	Deletions			Depreciation for the year	Adjustments			Accumulated 31/03/2019
"Tangible Assets"										
Computers	1,926,975.00	19,915.31	-	63.16%	1,946,890.31	1,886,610.56	24,506.39	-	1,913,116.95	33,773.36
Electrical Fittings	61,884.00	-	-	25.89%	61,884.00	43,598.84	4,734.14	-	48,332.98	13,551.02
Furniture	806,909.00	67,360.00	-	25.89%	874,269.00	268,831.40	148,151.45	-	416,982.85	457,286.15
Laser Printer	-	21,228.88	-	63.16%	21,228.88	-	1,824.20	-	1,824.20	19,404.68
Office Equipments	268,082.76	-	-	45.07%	268,082.76	183,078.62	38,311.18	-	221,389.80	46,692.96
Total A	3,063,850.76	108,504.19	-		3,172,354.95	2,384,119.42	217,527.36	-	2,601,646.78	570,708.17
Computer Software	857,346.00	21,600.00	-	39.30%	878,946.00	732,905.54	55,068.22	-	787,973.76	90,972.24
"Intangible Assets"	857,346.00	21,600.00	-		878,946.00	732,905.54	55,068.22	-	787,973.76	90,972.24
Grand Total (A + B)	3,921,196.76	130,104.19	-		4,051,300.95	3,117,024.96	272,595.58	-	3,389,620.54	661,680.41
										804,171.80



PRPL Garments Private Limited**Notes forming part of Profit & Loss for the year ended 31st March 2019****Note 12 Revenue from operations.**

Particulars	Total of C.Y	Total of L.Y
	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(i) Revenue From Sales	126,334,255.22	26,208,959.02
Total	126,334,255.22	26,208,959.02

Note 13 Other Income

Particulars	Total of C.Y	Total of L.Y
	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(i) Transitional Cenvat Credit	517,914.00	-
Total	517,914.00	-

Note 14 Cost of materials consumed

Particulars	Total of C.Y	Total of L.Y
	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Opening stock	15,819,584.27	-
Add: Purchases	170,354,570.28	36,597,875.27
Less: Closing stock	86,616,681.81	15,819,584.27
Cost of material consumed	99,557,472.74	20,778,291.00
Accessories and Direct Expenses		
Accessories	720,931.25	258,359.36
Electricity charges	182,704.75	38,160.00
Lace	330,464.97	83,521.71
Making Charges	5,027,745.44	934,705.00
	6,261,846.41	1,314,746.07
Total	105,819,319.15	22,093,037.07

Note 15 Finance cost

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
	Bank Charges	265.01
Interest on TDS	914.00	187.00
Interest on Loan	5,601,352.00	-
Total	5,602,531.01	694.50



PRPL Garments Private Limited

Notes forming part of Profit & Loss for the year ended 31st March 2019

Note 16 Employees Benefits Expenses

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(A)Salaries and wages		
Salaries to Staff & Wages to Workers	7,166,571.98	1,098,615.00
(B)Staff welfare expenses		
Staff Welfare Expenses	8,470.00	21,080.00
Total	7,175,041.98	1,119,695.00

Note 17 Administrative & Other expenses

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Audit Fees	108,000.00	108,000.00
Bank Charges	42.19	4,675.00
Bokerage & commission	59,035.00	2,100.00
Brand Logo	18,000.00	-
Convenyance	9,000.00	96,600.00
Documentation Charges	5,675.00	-
Donation	22,200.00	-
Electrical Expenses	11,211.00	-
Festival exp.	4,803.00	3,475.00
Fire Extinguisher	3,813.57	-
GST Late Fee	600.00	-
Insurance Premium	76,142.00	6,060.00
Internet Exp	22,500.00	-
Legal & Professional Fees	50,655.00	10,200.00
Office Expenses	110,830.00	28,640.00
Printing & stationary	26,635.00	25,513.00
Postage & courier	-	525.00
Petrol & Diesel Exp	-	5,850.00
Repairs & Maintainence	-	8,055.00
Rent Exp	1,259,996.00	-
Rounded Off	30.62	6.08
Travelling Expenses	1,544,412.00	674,037.00
Transport Freight Charges	400,536.50	6,310.00
Computer Repair and Maintenance	-	22,000.00
Water Charges	36,500.00	5,600.00
Total	3,770,616.88	1,007,646.08



PRPL Garments Private Limited
Accounting Year: 2018 – 2019
Note "17" forming Part of the Accounts

Significant Accounting Policies

System of Accounting

- The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.
- The Company is engaged in the business of Manufacturing, Trading and Resellers of Ready Made Garments.

Fixed Assets and Depreciation

- Fixed assets are carried at cost of acquisition inclusive of inward freight, duties, taxes and incidental expenses related to acquisition less accumulated depreciation
- Depreciation is provided for in the accounts on written down value method over the useful lives of the assets in the manner specified in schedule II of the Companies Act, 2013.

Revenue Recognition

- Revenue is recognized as per the Accounting standards 9 Revenue Recognition.

Gratuity

- No provision for gratuity liability has been made in accounts. Gratuity is accounted on actual payment basis.

Taxation

- Provision for tax liability for the current year is determined in accordance with the Income Tax Act, 1961.
- Deferred Taxes are recognized on timing differences arising due to variation in treatment / computation of certain items, for the purpose of determining accounting income and taxable income in one period and that are capable of reversal in one or more subsequent periods. During the year Deferred tax asset is Rs.31350/- (Previous year deferred taxes Asset Rs 26,413/-)

Foreign Exchange

- Earning in Foreign exchange Rs. NIL (Previous year Rs. NIL/-)
- Expenses in Foreign exchange Rs. NIL



Contingent Liabilities

- Balances of Sundry Debtors, Sundry Creditors, Loans & Advances are subject to confirmation.

Previous Years figure

- Previous years figures have been regrouped or rearranged wherever necessary

As per our Report of even date.

For S. H. Kukreja & Co.
Chartered Accountants

For PRPL GARMENTS PRIVATE LIMITED



S. H. Kukreja
Proprietor
Ambarnath
Dated : 12/09/2019



Dhanji R Patel Bechar R Patel
Director Director
Ambarnath

Dated: 12/09/2019



Hiren B Patel
Director

