

S. H. Kukreja & Co.

Chartered Accountants.

Office No.10, Ground Floor, Sai Mannat Apartment, Opp. Swami Hansmyni Maharaj Degree College, Jai Baba Dham Road, Ulhasnagar – 421005. Tel : 0251- 2536001 , Cell : 9833414767 , E-mail shkukreja@yahoo.com

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 , 2020, 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, 2020; 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, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020, 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 : Ambernath
Dated : 29th September, 2020



For S. H. KUKREJA & CO.
Chartered Accountants

S.H.

(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 2020, 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 31.3.2020 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 : 29th September, 2020



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, 2020 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, 2020, 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 : Ambarnath

Dated : 29th September, 2020



For S. H. KUKREJA & CO.
Chartered Accountants

(S. H. KUKREJA)

Proprietor.

Membership No 047949

PRPL GARMENTS PRIVATE LIMITED

M-2, ANAND NAGAR, ADDITIONAL MIDC, AMBERNATH – 421506

CIN: U18100MH2013PTC248597

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 2020.

1. Financial Highlights:

The Financial performance of the Company during the F.Y. 2019-20 is as under:

Particulars	(Amount in INR)	
	31 st March 2020	31 st March 2019
Revenue from operations	113,974,675.45	126,334,255.22
Other Income	58.46	517,914.00
Total Income	113,974,733.91	126,852,169.22
Expenses	113,925,499.42	122,640,104.60
Profit / (Loss) before Tax	49,234.49	4,212,064.62
Taxation: Current tax expense for current year	7,680	1,037,281
Current tax expense relating to prior years	18,669	-
Deferred tax Liabilities / (Assets)	(23,096)	31,350
Profit/ (Loss) after Tax	45,981.49	3,206,133.62

2. Company's Affairs

During the Financial Year under review, the Company has incurred a net profit of Rs. 45,981.49 /- as against a net profit of Rs. 3,206,133.62 /- 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.

PRPL GARMENTS PRIVATE LIMITED

M-2, ANAND NAGAR, ADDITIONAL MIDC, AMBERNATH – 421506

CIN: U18100MH2013PTC248597

7. Change In The Nature Of Business

There were no changes in the nature of business during the financial year ended March, 31st 2020.

8. Dividend And Transfer To IEPF

Your Directors have not recommended payment of any dividend on equity shares for the year ended 31st March, 2020.

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 2020, 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

PRPL GARMENTS PRIVATE LIMITED

M-2, ANAND NAGAR, ADDITIONAL MIDC, AMBERNATH – 421506
CIN: U18100MH2013PTC248597

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, 2020 (In Rs.)	As at March 31, 2019 (In Rs.)
Foreign Exchange earned	Nil	Nil
Foreign Exchange used	Nil	Nil

13. 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".

14. 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. Disclosure with respect to such material transactions are mentioned in Form AOC-2 which is annexed to this report in "Annexure B"

PRPL GARMENTS PRIVATE LIMITED

M-2, ANAND NAGAR, ADDITIONAL MIDC, AMBERNATH – 421506

CIN: U18100MH2013PTC248597

15. Directors:

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	NO CHANGE

16. 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 M/s. S. H. Kukreja & Co., Chartered Accountants, Mumbai [Registration No. 047949] as statutory auditors of the Company for 5 consecutive financial years until 2020.

The Board recommends to the shareholders the re-appointment of M/s. S. H. Kukreja & Co., Chartered Accountants, Mumbai [Firm Registration No. 0114282W] as the statutory auditors of your Company from the conclusion of ensuing AGM to hold office for the period of 5 years from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting to be held during the year 2025 to examine and audit accounts of the Company for the financial years 2020-21 to 2024-2025.

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, M/s. S. H. Kukreja & Co., Chartered Accountants, Mumbai [Registration No. 047949] have confirmed their eligibility to act as the Statutory Auditors of your Company.

17. 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.

18. 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.

19. Borrowing from Director

The Company has borrowed funds from Director during the financial year 2019-20. The details of the borrowings form a part of financial statements.

20. Meetings of the Board

The Board of Directors duly met Six times during the Financial Year 2019-20

PRPL GARMENTS PRIVATE LIMITED

M-2, ANAND NAGAR, ADDITIONAL MIDC, AMBERNATH – 421506

CIN: U18100MH2013PTC248597

21. 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.

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.

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 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.

PRPL GARMENTS PRIVATE LIMITED
M-2, ANAND NAGAR, ADDITIONAL MIDC, AMBERNATH - 421506
CIN: U18100MH2013PTC248597

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



Dhanji R Patel
Mr. Dhanji R Patel

Director

DIN: 01376164

Bharat H Patel
Mr. Bharat H Patel

Director

DIN: 07705156

Date: 29th September, 2020

Place: Mumbai

PRPL Garments Private Limited
Balance Sheet as at 31st March, 2020

(Amount In Rupees)

Particulars	Note No.	As at 31 March, 2020 Current Year	As at 31 March, 2019 Last Year
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	1,00,000	1,00,000.00
(b) Reserves and surplus	2	32,84,921	32,38,939.23
		<u>33,84,921</u>	<u>33,38,939.23</u>
2 Non-current liabilities			
(a) Long-term borrowings	3	6,74,90,881	5,60,70,217.00
(b) Deferred tax Liabilities(net)		-	-
		<u>6,74,90,881</u>	<u>5,60,70,217.00</u>
3 Current liabilities			
(a) Trade payables	4	6,93,37,697	9,93,11,347.55
(b) Other current liabilities	5	57,31,326	56,64,884.00
		<u>7,50,69,023</u>	<u>10,49,76,231.55</u>
TOTAL		<u>14,59,44,824.25</u>	<u>16,43,85,387.78</u>
B ASSETS			
1 Non-current assets			
(a) Fixed assets	6		
(i) Tangible assets		4,24,835.20	5,70,708.17
(ii) Intangible assets		55,220.15	90,972.24
		<u>4,80,055.35</u>	<u>6,61,680.41</u>
(b) Long-term loans and advances	7	2,60,000.00	2,25,000.00
(c) Deferred tax Assets(net)		93,251.00	70,155.00
		<u>3,53,251.00</u>	<u>2,95,155.00</u>
2 Current assets			
(a) Inventories	8	5,58,37,488.88	8,66,16,681.81
(b) Trade Receivables	9	8,70,52,568.38	7,13,93,867.23
(c) Cash and cash equivalents	10	4,76,562.05	10,45,697.00
(d) Short term loans & advances	11	17,44,898.59	43,72,306.33
		<u>14,51,11,517.90</u>	<u>16,34,28,552.37</u>
TOTAL		<u>14,59,44,824.25</u>	<u>16,43,85,387.78</u>

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


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For S H Kukreja & Co.
Chartered Accountants


(S H Kukreja)
Proprietor

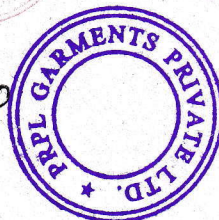


For and on behalf of the Board of Directors


Dhanji R. Patel
Director
DIN 01376164


Bharat Patel
Director
DIN 07705156

Place : Ambarnath
Date : 29th September, 2020



Place : Ambarnath
Date : 29th September, 2020

PRPL Garments Private Limited
Statement of Profit and Loss for the year ended 31 March, 2020

(Amount In Rupees)

Particulars	Note No.	For the year ended 31 March, 2020 Current Year	For the year ended 31 March, 2019 Current Year
A CONTINUING OPERATIONS			
1 Revenue From Sales	12	11,39,74,675.45	12,63,34,255.22
Other Income	13	58.46	5,17,914.00
2 Total revenue		11,39,74,733.91	12,68,52,169.22
3 Expenses			
(a) Cost of Material Consumed	14	9,36,37,716.20	10,58,19,319.15
(b) Finance cost	15	78,70,777.06	56,02,531.01
(c) Employee benefits expense	16	55,54,793.00	71,75,041.98
(d) Depreciation and amortisation expense	6	2,33,403.11	2,72,595.58
(e) Other expenses	17	66,28,810.05	37,70,616.88
Total expenses		11,39,25,499.42	12,26,40,104.60
4 Profit / (Loss) before tax		49,234.49	42,12,064.62
5 Tax expense:			
(a) Current tax expense for current year		7,680.00	10,37,281.00
(b) Current tax expense relating to prior years		18,669.00	-
(c) Net current tax expense		26,349.00	10,37,281.00
(d) Deferred tax Liabilities / (Assets)		(23096.00)	(31350.00)
		3253.00	1005931.00
6 Profit / (Loss) for the year		45981.49	3206133.62
7 Earnings per Equity Share of Face Value Rs 10/-each			
(a) Basic in Rupees		4.60	320.61
(b) Diluted in Rupees		4.60	320.61
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

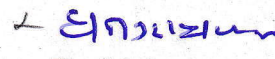
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As per our report attached.
 For S H Kukreja & Co.
 Chartered Accountants


 (S H Kukreja)
 Proprietor



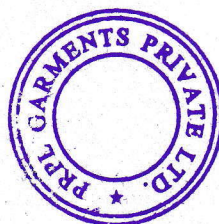
For and on behalf of the Board of Directors


 Dhanji R. Patel
 Director
 DIN 01376164


 Bharat Patel
 Director
 DIN 07705156

Place : Ambarnath
 Date : 29th September, 2020

Place : Ambarnath
 Date : 29th September, 2020



PRPL Garments Private Limited

Cash Flow Statement for the year ended 31st March, 2020

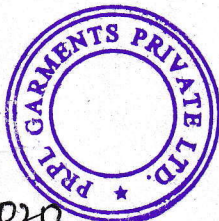
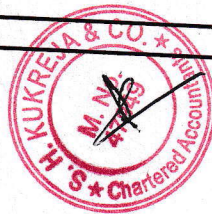
Particulars	For the year ended 31 March, 2020	
	Amount	Amount
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	49,234	
<u>Adjustments for:</u>		
Depreciation and amortisation	2,33,403	
Interest income	-	
Operating profit / (loss) before working capital changes	2,82,638	2,82,638
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	3,07,79,193	
Trade receivables	(1,56,58,701)	
Short-term loans and advances	26,27,408	
Long-term loans and advances	(35,000)	
Deferred Tax Assets	(23,096)	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables	(2,99,73,651)	
Other current liabilities	66,442	
Income tax	(3,253)	
Net cash flow from / (used in) operating activities (A)		(2,99,10,462)
		(1,19,38,021)
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(51,778)	
Net cash flow from / (used in) investing activities (B)		(51,778)
C. Cash flow from financing activities		
Long-term borrowings	1,14,20,664	
Net cash flow from / (used in) financing activities (C)		1,14,20,664
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(5,69,135)
Cash and cash equivalents at the beginning of the year		
(a) Cash on hand	11,697	
(b) Balances with banks	10,34,000	
Cash and cash equivalents at the end of the year *		10,45,697
(a) Cash on hand	4,970	
(b) Balances with banks	4,71,592	
		4,76,562
		0

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
DIN 01376164

Bharat Patel

Bharat Patel
Director
DIN 07705156

Place : Mumbai

Date : 29th September, 2020

Place : Mumbai

Date : 29th September, 2020

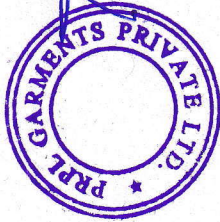
PRPL Garments Private Limited
Notes Forming Part of the Balance Sheet as at 31st March 2020

Note 1 Share capital

Particulars	As at 31 March, 2020		As at 31 March, 2019	
	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised Equity shares of Rs. 10 each with voting rights	10000	1,00,000	10000	1,00,000
(b) Issued Equity shares of Rs. 10 each with voting rights	10000	1,00,000	10000	1,00,000
(c) Subscribed and fully paid up Equity shares of Rs. 10 each with voting rights	10000	1,00,000	10000	1,00,000

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

Name of shareholder	As at 31 March, 2020		As at 31 March, 2019	
	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 2020

Note 2 Reserves and surplus

Particulars	As at 31 March, 2020	As at 31 March, 2019
(A) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance		32,805.61
Add: Profit / (Loss) for the year	32,38,939.23	
Closing balance	45,981.49	32,06,133.62
Total	32,84,921	32,38,939.23

Note 3 Long-term borrowings

Particulars	As at 31 March, 2020	As at 31 March, 2019
(A) Secured Loan		
HDFC Business Bank Loan	45,41,840.98	-
(A) Loans and advances from related parties		
Unsecured		
From Directors		
Dhanji R Patel	3,86,43,159.00	3,87,55,080.00
Bechar R Patel	48,67,381.00	43,92,943.00
Bharat H Patel	1,94,38,500.00	1,29,22,194.00
From Others		
Total	6,29,49,040.00	5,60,70,217.00
	6,74,90,880.98	5,60,70,217.00

3.1 Company taken the unsecured loans from directors of Rs. 6,29,49,040/- (Previous Year Rs. 5,60,70,217)

3.2 During the year, Company has taken loan from HDFC Bank of Rs.45,41,840.98, secured against personal gurantees of Directors.(Previous Year Rs Nil)

Note 4 Trade Payable

Particulars	As at 31 March, 2020	As at 31 March, 2019
(a) Trade Payables		
Trade payables	6,93,37,696.55	9,93,11,347.55
Total	6,93,37,696.55	9,93,11,347.55

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, 2020	As at 31 March, 2019
(A) Other payables		
(i) Statutory remittances		
Income Tax Payable	7,680.00	10,37,281.00
TDS Payable	5,42,853.00	8,46,062.00
(ii) Outstanding Expenses	5,50,533.00	18,83,343.00
Salaries to Staff	49,80,793.00	37,81,541.00
(iii) Advance from Customers	49,80,793.00	37,81,541.00
Dharia Apparels	2,00,000.00	
Total	57,31,326.00	56,64,884.00

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

[Handwritten signature]



PRPL Garments Private Limited
Notes Forming Part of the Balance Sheet as at 31st March 2020

Note 7 Long-term loans and advances

Particulars	As at 31 March, 2020	As at 31 March, 2019
(a) Security deposits		
Unsecured, considered good		
Deposit of Bhiwandi Warehouse (Purvi Ent)	1,00,000.00	1,00,000.00
Mumbai Srifal Merchants	1,00,000.00	1,00,000.00
Mvat Deposits	25,000.00	25,000.00
Shop Deposit	35,000.00	-
	<u>2,60,000.00</u>	<u>2,25,000.00</u>
Total	2,60,000.00	2,25,000.00

Note 8 Inventories:

Particulars	As at 31 March, 2020	As at 31 March, 2019
(a) Finished goods	5,58,37,488.88	8,59,67,252.81
(b) Raw Materials	-	6,49,429.00
Total	5,58,37,488.88	8,66,16,681.81

Note 9 Trade Receivables

Particulars	As at 31 March, 2020	As at 31 March, 2019
Trade Receivables, More than Six Months		
Unsecured, considered good, More than Six months from due dates.	-	-
Other Trade receivables		
Unsecured, considered good	8,70,52,568.38	7,13,93,867.23
Total	8,70,52,568.38	7,13,93,867.23

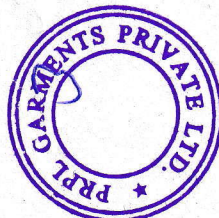
Note 10 Cash and cash equivalents

Particulars	As at 31 March, 2020	As at 31 March, 2019
(a) Cash on hand	4,970.00	11,697.00
(b) Bank Balance		
Kotak Mahindra Bank Ltd-632011002721	59,893.20	2,59,893.20
HDFC Bank-50200035563089	2,73,593.13	61,502.00
HDFC Bank-50200035244221	7,702.00	51,000.00
Yes Bank-007781300000131	75,347.72	6,29,586.80
Yes Bank-012281300000052	50,849.00	9,774.00
Yes Bank-012281300000109	4,207.00	22,244.00
	-	-
Total	4,76,562.05	10,45,697.00

Note 11 Short-term loans and advances

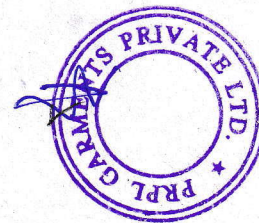
Particulars	As at 31 March, 2020	As at 31 March, 2019
(a) Balances with government authorities		
GST Receivable	12,29,871.59	37,20,635.33
(b) Prepaid Expenses		
Prepaid Insurance	1,04,623.00	1,03,167.00
Prepaid Rent	3,57,587.00	3,92,504.00
Prepaid Internet Charges	7,817.00	-
(c) Others - advances & Receivables.		
Ashwin Patel	30,000.00	-
Sanjay Gupta	15,000.00	6,000.00
Ramesh Luhar	-	1,50,000.00
Interbranch	-	-
Total	17,44,898.59	43,72,306.33

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



PRPL Garments Private Limited
Accounting Year 2019 - 2020
Note "6" Fixed Assets And Depreciation there on

Name of Fixed Assets	(Amount in Rupees)										
	OPENING BALANCE	Gross Block Additions	Gross Block Deletions	As om 31-03-2020	Dep Rate	Accumulated OP. BALANCE	Depreciation for the year	Adjustments	Accumulated 31-03-2020	Net Block As on 31-03-2020	Net Block As on 31-03-2019
"Tangible Assets"											
Computers	19,46,890.31	18,644.12	-	19,65,534.43	63.16%	19,13,116.95	31,176.16	-	19,44,293.11	21,241.32	33,773.36
Electrical Fittings	61,884.00	-	-	61,884.00	25.89%	48,332.98	3,508.47	-	51,841.45	10,042.55	13,551.02
Furniture	8,74,269.00	-	-	8,74,269.00	25.89%	4,16,982.85	1,18,391.49	-	5,35,374.34	3,38,894.66	4,57,286.15
Laser Printer	21,228.88	10,678.00	-	31,906.88	63.16%	1,824.20	17,894.62	-	19,718.82	12,188.06	19,404.68
Office Equipments	2,68,082.76	14,828.81	-	2,82,911.57	45.07%	2,21,389.80	25,938.30	-	2,47,328.10	35,583.47	46,692.96
Total A	31,72,354.95	44,150.93	-	32,16,505.88		26,01,646.78	1,96,909.04	-	27,98,555.82	4,17,950.06	5,70,708.17
Computer Software	8,78,946.00	-	-	8,78,946.00	39.30%	7,87,973.76	35,752.09	-	8,23,725.85	55,220.15	90,972.24
"Intangible Assets"	8,78,946.00	-	-	8,78,946.00		7,87,973.76	35,752.09	-	8,23,725.85	55,220.15	90,972.24
Grand Total (A + B)	40,51,300.95	44,150.93	-	40,95,451.88		33,89,620.54	2,32,661.13	-	36,22,281.67	4,73,170.21	6,61,680.41
Shirt											
Refrigerator	-	7,627.12	-	7,627.12	45.07%	-	741.98	-	741.98	6,885.14	-
Total	40,51,300.95	51,778.05	-	41,03,079.00	0.45	33,89,620.54	2,33,403.11	-	36,23,023.65	4,80,055.35	6,61,680.41



PRPL Garments Private Limited
Notes forming part of Profit & Loss for the year ended 31st March 2020

Note 12 Revenue from operations.

Particulars	Total of C.Y	Total of L.Y
	For the year ended 31 March, 2020	For the year ended 31 March, 2019
(i) Revenue From Sales	11,39,74,675.45	12,63,34,255.22
Total	11,39,74,675.45	12,63,34,255.22

Note 13 Other Income

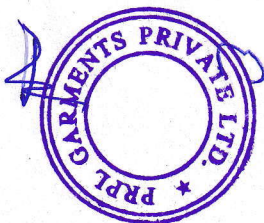
Particulars	Total of C.Y	Total of L.Y
	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(i) Transitional Cenvat Credit	-	5,17,914.00
(ii) Round off	58.46	
Total	58.46	5,17,914.00

Note 14 Cost of materials consumed

Particulars	Total of C.Y	Total of L.Y
	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Opening stock		
Add: Purchases	8,66,16,681.81	1,58,19,584.27
Less: Closing stock	5,91,58,946.89	17,03,54,570.28
Cost of material consumed	5,58,37,488.88	8,66,16,681.81
Accessories and Direct Expenses	8,99,38,139.82	9,95,57,472.74
Accessories		
Electricity chrges	4,64,618.38	7,20,931.25
Lace	1,24,770.00	1,82,704.75
Making Charges	-	3,30,464.97
	31,10,188.00	50,27,745.44
Total	36,99,576.38	62,61,846.41
	9,36,37,716.20	10,58,19,319.15

Note 15 Finance cost

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
	Bank Charges	
Interest on TDS	202.08	265.01
Interest on Loan	17,312.00	914.00
	78,53,262.98	56,01,352.00
Total	78,70,777.06	56,02,531.01



PRPL Garments Private Limited
Notes forming part of Profit & Loss for the year ended 31st March 2020

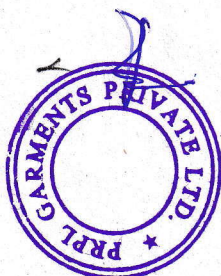
Note 16 Employees Benefits Expenses

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
(A)Salaries and wages Salaries to Staff & Wages to Workers	55,54,793.00	71,66,571.98
(B)Staff welfare expenses Staff Welfare Expenses	-	8,470.00
Total	55,54,793.00	71,75,041.98

Note 17 Administrative & Other expenses

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Audit Fees	75,000.00	1,08,000.00
Bank Charges	940.00	42.19
Bad Debts	37,50,691.00	-
Bokerage & commission	9,860.00	59,035.00
Brand Logo	18,500.00	18,000.00
Canteen Expenses	28,059.00	-
Convenyance	14,500.00	9,000.00
Documentation Charges	1,278.00	5,675.00
Donation	21,000.00	22,200.00
Electrical Expenses	46,660.00	11,211.00
Festival exp.	-	4,803.00
Forex TC/SRV Charges	738.00	-
Fire Extinguisher	1,200.00	3,813.57
GST Late Fee	50.00	600.00
Insurance Premium	1,32,223.00	76,142.00
Internet Exp	16,454.19	22,500.00
Loan Processing fees	39,500.00	-
Legal & Professional Fees	12,200.00	50,655.00
Miscellaneous Expenses	6,390.50	-
Office Expenses	-	1,10,830.00
Printing & stationary	-	26,635.00
Postage & courier	1,897.00	-
Repairs & Maintainence	45,030.00	-
Rent	16,53,357.00	12,59,996.00
Rounded Off	-	30.62
Travelling Expenses	2,74,885.36	15,44,412.00
Transport Freight Charges	4,26,717.00	4,00,536.50
Water Charges	51,680.00	36,500.00
Total	66,28,810.05	37,70,616.88

Total



PRPL Garments Private Limited
Accounting Year: 2019 – 2020
Note "18" 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.23,096/- (Previous year deferred taxes Asset Rs 31,350/-)

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.

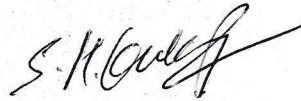
Previous Years figure

- 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 : 29th September, 2020



Dhanji R Patel
Director

Din 01376164
Ambarnath

Dated: 29th September 2020



Bharat Patel
Director

Din No 07705156

