

S. H. Kukreja & Co.

Chartered Accountants.

Office No.10, Ground Floor, Sai Mannat Apartment, Opp. Swami Hansmuni 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 , 2023, and the Statement of Profit and Loss for the year then ended, the statement of cash flow 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, 2023; 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, 2020("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, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023, from being appointed as a director in terms of Section 164(2) of the Act.



- 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 A"
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company has disclosed the impact of pending litigations 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

For S. H. KUKREJA & CO.
Chartered Accountants



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

Place : Ambarnath
Dated : 15-09-2023



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 2023, we report that:

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

(b) The Company has regular programme of physical verification of its Property, Plant and Equipment by which, these are verified in accordance with this programme and no discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not hold any immovable properties.
(d) According to the information and explanation given to us, the company has not revalued its Property, Plant and Equipment and intangible assets during the year.

(e) No Proceedings have been initiated during the year or pending against the company as at March 31, 2023 for holding any Benami Property under Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- II. (a) As explained to us, stocks of finished goods, have been physically verified by the management during the year. 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. No material discrepancy has been noticed on verification between the physical stocks and book records as reported by the management

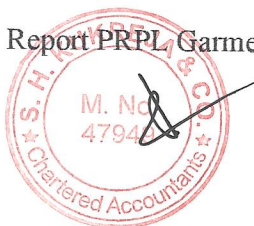
(b) The company has not been sanctioned working capital limits in excess of Rs.5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under this clause is not applicable.
- III. (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year and hence reporting under this clause is not applicable.

b) During the year the company has not made investments or provided guarantees or securities and hence reporting under this clause is not applicable.

c) During the year Company has taken loans from Directors and shareholders and outstanding as on balance sheet date is 693.22 Lacs
- 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 including provident fund, income tax, service tax and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities. As explained to us Company did not have any dues on account of employees' state insurance.
- According to the information and explanation given to us, no undisputed amounts payable in respect of provident fund, income tax, service tax and other material statutory dues were in arrears as at 31.3.2023 for the period of more than 6 months from the date they become payable.
- VIII. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- IX. The Company have borrowed money from banks during the year, and has not defaulted in any of the installments or repayments during the year.
- X. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly paragraph 3 (ix) of the Order is not applicable.
- XI. (a) No material fraud by the Company or on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and 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, 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, in our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business




- XVI. 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.
- XVII. The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934
- XVIII. The company has incurred cash losses in the financial year and in preceding financial year also as per Financial Statements..
- XIX. There has been no resignation of Statutory auditor of the company during the year
- XX. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- XXI. The Corporate Social Responsibility (CSR) is not applicable to the Company accordingly compliances with second proviso to sub-section (5) of Section 135 of the said Act is not applicable

Place : Ambarnath
Dated : 15-09-2023



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, 2023 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Ambarnath
Dated : 15-09-2023



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, THANE, MAHARASHTRA, INDIA, 421506

CIN: U18100MH2013PTC248597

Email ID: prplgarments@gmail.com, PH: 0251-2628400

BOARD'S REPORT

To,
The Members,
PRPL Garments Private Limited

Your Directors are pleased to present the 10th Annual Report on the business and operations together with the Audited Financial Statements and Auditors' report for the financial year ended 31st March 2023.

1. Financial Highlights

The Financial Performance of your company for the Financial Year ended 31st March, 2023 is summarized below:

| Particulars | 31.03.2023 (Amount in Thousands) | 31.03.2022 (Amount in Thousands) |
|--|--|--|
| Revenue | 67289.32 | 17912.40 |
| Other Income | 2332.26 | - |
| Total Income (A) | 69621.58 | 17912.40 |
| Expenses (B) | (70340.81) | (20089.90) |
| Profit / (Loss) Before Tax (A) - (B) | (719.23) | (2177.50) |
| Tax expenses: Current tax expense for current year | - | - |
| Current tax expense relating to prior years | - | - |
| Deferred tax liabilities/ (Asset) | (0.35) | 5.66 |
| Profit / (Loss) After Tax | (718.88) | (2183.16) |

2. Company Affairs

During the year under review the Company has made a loss of Rs. 7,18,884.11/- as compared to a net loss of Rs. 21,83,163.60/- of the previous year.

3. Share Capital

There were no changes in the Share Capital of the company during F.Y. 2022-23



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4. Transfer To Reserve

The Company has transferred an amount of Rs. (7,18,884/-) to its Reserves & Surplus. The Total balance of reserves and Surplus after Transfer is Rs. (33,93970/-).

5. Dividend

The Board has not recommended any dividend on equity shares for the year under review.

6. Transfer of Unclaimed Dividend To Investor Education & Protection Fund (IEPF)

The Company was not required to transfer any amount to Investor Education & Protection Fund under section 125(2) of the Companies Act, 2013.

7. Change in the Nature of Business

There were no changes in the nature of business during the Financial Year 2022-23.

There were no material Changes and Commitments affecting the Financial Position of the Company from 01st April, 2022 till the date of issue of this report.

8. Deposits

The company has not accepted any deposits as defined under Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, at the end of the financial year 2022-23

9. Details of Subsidiary, Associates and Joint Ventures

The Company does not have any subsidiary as per Clause 2(87) or associate as per Clause 2(6) of the Companies Act, 2013 or any joint venture Company.

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.



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11. Board of Directors:

There were no changes in the Board of Directors of the Company during the year under review.

The composition of directors as on 31st March 2023 is as follows:-

| DIN NO | NAME | BEGIN DATE | END DATE |
|----------|------------------------|------------|----------|
| 01375968 | HIREN BECHAR PATEL | 26/09/2013 | - |
| 01376164 | DHANJI RAGHAVJI PATEL | 26/09/2013 | - |
| 02169626 | BECHAR RAGHAVAJI PATEL | 26/09/2013 | - |
| 07705156 | BHARAT HARIBHAI PATEL | 01/08/2018 | - |

12. Board Meetings

The Board of Directors met 04 times during the financial year 2022-23. The intervening gap between any two board meetings did not exceed the statutory period of 120 days as prescribed under the Companies Act, 2013.

13. Details Of Loans Borrowed From Directors

During the year under review the Company has borrowed funds from Directors of the Company which forms part of Schedules of the Financial Statements.

14. Related Party Transactions

The transactions entered by the Company with related parties were carried out at arm's length and do not fall under the purview of section 188 of the Companies Act 2013 and Rules framed there under. Further, the Board of Directors does not consider these transactions material and hence a statement under Rule 8(2) of Companies (Accounts) Rules, 2014 has not been enclosed.

15. 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.

16. Auditors

In accordance with the provision of section 139 of the Companies Act 2013 and rules made thereunder, the Members of the Company had appointed M/s S.H. Kukreja & Co, Chartered Accountant (Firm registration No 114282W) at the Annual general Meeting held for the financial year 2019-2020 on 19th October 2020 for 5 consecutive financial years from 1st April 2020 to 31st March 2025.



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Hence M/s S.H Kukreja & Co Chartered Accountants (Firm registration No 114282W) shall continue to act as the Statutory Auditor till the Annual General Meeting to be held for the FY 2024-2025.

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. Adequacy of Internal Financial Controls with reference to Financial Statement

The Company has an internal financial control system, which is commensurate with the present size of the Company. The Auditor evaluates the adequacy, relevance & effectiveness of such system and its compliance with prevailing laws & regulations and makes recommendation, wherever necessary.

19. Particulars of Loans, Guarantees and Investments

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision are not applicable.

20. Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo

a) Conservation of Energy

The information pursuant to section 217(1) (e) of the Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988 is not applicable to the Company.

b) Technology Absorption

Your Company is not engaged in manufacturing activities therefore, there is no specific information to be furnished in this regard.

There was no expenditure on Research and Development during the period under review.

c) Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and outgo during the financial year ended March 31st 2023.

21. 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 2023, 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



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- 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.

22. Risk Management Policy

In the present volatile and rapidly changing financial scenario, it is imperative to have good risk management practices not only to manage risks inherent in the business but also the risks emanating from financial markets as a whole.

The Board takes responsibility for the overall process of risk management in the organization

- by Overseeing the Company's risk management process and controls, risk tolerance and capital liquidity and funding,
- by setting strategic plans and objectives for risk management and review of risk assessment of the Company and
- by reviewing the Company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, and reputational risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks.

23. Disclosure Under The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

The above-mentioned provisions are not applicable to the company as the number of employees are less than 10.

24. Company's Policy Relating To Directors Appointment, Payment Of Remuneration And Discharge Of Their Duties

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Director's qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.



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25. Web Link

The company doesn't have any website

26. Affirmation

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

27. 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 Patel

Dhanji Patel
Director
DIN: 01376164

Place: Ambernath

Date: 15-09-2023

Bharat Patel

Bharat Patel
Director
DIN: 07705156

Place: Ambernath

Date: 15-09-2023

PRPL Garments Private Limited
Balance Sheet as at 31st March, 2023

(Amount In Thousands)

| Particulars | | Note No. | As at 31 March, 2023 Current Year | As at 31 March, 2022 Last Year |
|-------------|-----------------------------------|----------|-----------------------------------|--------------------------------|
| A | EQUITY AND LIABILITIES | | | |
| 1 | Shareholders' funds | | | |
| | (a) Share capital | 1 | 100.00 | 100.00 |
| | (b) Reserves and surplus | 2 | (3,393.97) | (2,675.09) |
| | | | (3,293.97) | (2,575.09) |
| 2 | Non-current liabilities | | | |
| | (a) Long-term borrowings | 3 | 69,898.44 | 70,250.51 |
| | (b) Deferred tax Liabilities(net) | | - | - |
| | | | 69,898.44 | 70,250.51 |
| 3 | Current liabilities | | | |
| | (a) Trade payables | 4 | 15,400.19 | 55,644.69 |
| | (b) Other current liabilities | 5 | 758.33 | 2,595.30 |
| | | | 16,158.51 | 58,239.99 |
| | TOTAL | | 82,762.98 | 1,25,915.41 |
| B | ASSETS | | | |
| 1 | Non-current assets | | | |
| | (a) Fixed assets | 6 | | |
| | (i) Tangible assets | | 197.08 | 272.99 |
| | (ii) Intangible assets | | 12.35 | 20.35 |
| | | | 209.43 | 293.34 |
| | (b) Long-term loans and advances | 7 | 338.60 | 675.00 |
| | (c) Deferred tax Assets(net) | | 97.64 | 97.30 |
| | | | 436.24 | 772.30 |
| 2 | Current assets | | | |
| | (a) Inventories | 8 | 28,274.53 | 53,616.96 |
| | (b) Trade Receivables | 9 | 53,253.88 | 70,034.10 |
| | (c) Cash and cash equivalents | 10 | 480.81 | 143.66 |
| | (d) Short term loans & advances | 11 | 108.09 | 1,055.06 |
| | | | 82,117.31 | 1,24,849.78 |
| | TOTAL | | 82,762.98 | 1,25,915.41 |

Significant Accounting Policies And
Notes To Accounts

18

As per our report attached.

For S H Kukreja & Co.
Chartered Accountants

For and on behalf of the Board of Directors

S. H. Kukreja

(S H Kukreja)
Proprietor

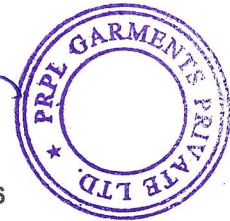


Dhanji Patel

Dhanji Patel
Director
DIN 01376164

Bharat Patel

Bharat Patel
Director
DIN 07705156



Place : Ambernath

Date : 15-09-2023

Place : Ambernath

Date : 15-09-2023

UDIN :- 23047949BGVJSU1943

| Particulars | | Note No. | For the year ended 31 March, 2023 Current Year | For the year ended 31 March, 2022 Current Year |
|-------------|--|----------|--|--|
| A | CONTINUING OPERATIONS | | | |
| 1 | Revenue From Sales | 12 | 67,289.32 | 17,912.40 |
| | Other income | 13 | 2,332.25 | - |
| 2 | Total Income | | 69,621.58 | 17,912.40 |
| 3 | Expenses | | | |
| | (a) Cost of Material Consumed | 14 | 60,049.70 | 13,793.16 |
| | (b) Finance cost | 15 | 2,560.02 | 2,653.82 |
| | (c) Employee benefits expense | 16 | 10.45 | 1,094.35 |
| | (d) Depreciation and amortisation expense | 6 | 83.91 | 124.77 |
| | (e) Other expenses | 17 | 7,616.74 | 2,223.81 |
| | Total expenses | | 70,340.81 | 20,089.90 |
| 4 | Profit / (Loss) before tax | | (719.23) | (2,177.50) |
| 5 | Tax expense: | | | |
| | (a) Current tax expense for current year | | - | - |
| | (b) Current tax expense relating to prior years | | - | - |
| | (c) Net current tax expense | | - | - |
| | (d) Deferred tax Liabilities / (Assets) | | (0.35) | 5.66 |
| | | | (0.35) | 5.66 |
| 6 | Profit / (Loss) for the year | | (718.88) | (2,183.16) |
| 7 | Earnings per Equity Share of Face Value Rs 10/-each | | | |
| | (a) Basic in Rupees | | (71.89) | (218.32) |
| | (b) Diluted in Rupees | | (71.89) | (218.32) |
| | 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

Place : Ambernath

Date : 15-09-2023



For and on behalf of the Board of Directors


Dhanji Patel
Director
DIN 01376164


Bharat Patel
Director
DIN 07705156

Place : Ambernath

Date : 15-09-2023



PRPL Garments Private Limited
Cash Flow Statement for the year ended 31st March, 2023

(Amount In Thousands)

| Particulars | For the year ended 31 March, 2023 | |
|--|--------------------------------------|-----------------|
| | Amount | Amount |
| A. Cash flow from operating activities | | |
| Net Profit / (Loss) before extraordinary items and tax | (719.23) | |
| <i>Adjustments for:</i> | | |
| Depreciation and amortisation | 83.91 | |
| Interest income | - | |
| Operating profit / (loss) before working capital changes | (635.32) | (635.32) |
| <i>Changes in working capital:</i> | | |
| <i>Adjustments for (increase) / decrease in operating assets:</i> | | |
| Inventories | 25,342.43 | |
| Trade receivables | 16,780.22 | |
| Short-term loans and advances | 946.97 | |
| Long-term loans and advances | 336.40 | |
| Deferred Tax Assets | (0.35) | 43,405.67 |
| <i>Adjustments for increase / (decrease) in operating liabilities:</i> | | |
| Trade payables | (40,244.51) | |
| Other current liabilities | (1,836.97) | |
| Income tax | 0.35 | (42,081.13) |
| Net cash flow from / (used in) operating activities (A) | | 689.22 |
| B. Cash flow from investing activities | | |
| Capital expenditure on fixed assets, including capital advances | - | |
| Net cash flow from / (used in) investing activities (B) | | - |
| C. Cash flow from financing activities | | |
| Long-term borrowings | (352.07) | |
| Net cash flow from / (used in) financing activities (C) | | (352.07) |
| Net increase / (decrease) in Cash and cash equivalents (A+B+C) | | 337.16 |
| Cash and cash equivalents at the beginning of the year | | |
| (a) Cash on hand | 6.21 | |
| (b) Balances with banks | 137.44 | |
| Cash and cash equivalents at the end of the year * | | 143.66 |
| (a) Cash on hand | - | |
| (b) Balances with banks | 480.81 | |
| | | 480.81 |

As per our report attached.

For S H Kukreja & Co.
Chartered Accountants


(S H Kukreja)
Proprietor



Place : Ambernath
Date : 15-09-2023

For and on behalf of the Board of Directors


Dhanji Patel
Director
DIN 01376164


Bharat Patel
Director
DIN 07705156



Place : Ambernath
Date : 15-09-2023

PRPL Garments Private Limited

Notes Forming Part of the Balance Sheet as at 31st March 2023

Note 1 Share capital

(Amount In Thousands)

| Particulars | As at 31 March, 2023 | | As at 31 March, 2022 | |
|---|----------------------|--------|----------------------|--------|
| | Number of shares | Rs. | Number of shares | Rs. |
| (a) Authorised Equity shares of Rs. 10 each with voting rights | 10000 | 100.00 | 10000 | 100.00 |
| (b) Issued Equity shares of Rs. 10 each with voting rights | 10000 | 100.00 | 10000 | 100.00 |
| (c) Subscribed and fully paid up Equity shares of Rs. 10 each with voting rights | 10000 | 100.00 | 10000 | 100.00 |

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

| Name of Promotor Shareholders | As at 31 March, 2023 | | As at 31 March, 2022 | |
|----------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
| | 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 2023

Note 2 Reserves and surplus

(Amount In Thousands)

| Particulars | As at 31 March, 2023 | As at 31 March, 2022 |
|---|----------------------|----------------------|
| (A) Surplus / (Deficit) in Statement of Profit and Loss | | |
| Opening balance | (2,675.09) | (491.92) |
| Add: Profit / (Loss) for the year | (718.88) | (2,183.16) |
| Closing balance | (3,393.97) | (2,675.09) |
| Total | (3,393.97) | (2,675.09) |

Note 3 Long-term borrowings

| Particulars | As at 31 March, 2023 | As at 31 March, 2022 |
|---|----------------------|----------------------|
| (A) Secured Loan | | |
| HDFC Business Bank Loan | 576.10 | 1,311.70 |
| HDFC MESB Business Bank Loan | - | 860.28 |
| HDFC Bank A/c-44221 | - | 1,185.60 |
| Yes Bank A/c-00131 | - | 570.59 |
| | 576.10 | 3,928.17 |
| (A) Loans and advances from related parties | | |
| Unsecured | | |
| From Directors | | |
| Dhanji R Patel | 39,920.17 | 36,920.17 |
| Bharat H Patel | 29,402.17 | 29,402.17 |
| | 69,322.34 | 66,322.34 |
| Total | 69,898.44 | 70,250.51 |

3.1 Company taken the unsecured loans from directors of Rs. 6,93,22,340/- (Previous Year Rs. 6,63,50,740)

3.2 Company has taken loan from HDFC Bank of Rs.5,76,100/- , secured against personal gurantees of Directors.(Previous Year Rs 39,28,166/-)

Note 4 Trade Payable

| Particulars | As at 31 March, 2023 | As at 31 March, 2022 |
|--------------------|----------------------|----------------------|
| (a) Trade Payables | | |
| Trade payables | 15,400.19 | 55,644.69 |
| Total | 15,400.19 | 55,644.69 |

4.1 Trade Payables includes goods purchased and Services received in normal course of business. Agewise details of Trade Payables are not readily available



PRPL Garments Private Limited
Notes Forming Part of the Balance Sheet as at 31st March 2023

Note 5 Other current liabilities

| Particulars | As at 31 March, 2023 | As at 31 March, 2022 |
|------------------------------|----------------------|----------------------|
| (A) Other payables | | |
| (i) Statutory remittances | | |
| GST Payable | 490.34 | - |
| TDS Payable | 51.83 | 52.98 |
| | 542.17 | 52.98 |
| (ii) Outstanding Expenses | | |
| Salaries to Staff | 59.70 | 2,510.25 |
| Expenses Payable | 93.90 | - |
| | 153.60 | 2,510.25 |
| (iii) Advance from Customers | | |
| Lanecome Apparel | 62.56 | 12.56 |
| Patel Retail Pvt Ltd | - | 19.51 |
| Total | 758.33 | 2,595.30 |

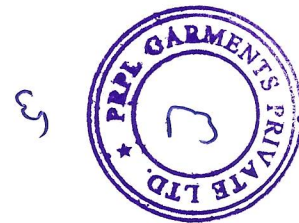
5.1 All the Statutory Liabilities except SA tax were paid before signing the Balance Sheet

Note 7 Long-term loans and advances

| Particulars | As at 31 March, 2023 | As at 31 March, 2022 |
|---|----------------------|----------------------|
| (a) Security deposits | | |
| Unsecured, considered good | | |
| Deposit of Bhiwandi Warehouse (Purvi Ent) | 13.60 | 100.00 |
| Mumbai Srifal Merchants | 100.00 | 100.00 |
| Mvat Deposits | - | 25.00 |
| Rent Deposit For New Workshop | 25.00 | 150.00 |
| Rent Deposit (Gulam Suleman Plasterwala) | 100.00 | 200.00 |
| Rent Deposit (Ashok Kisanlal Gungan) | 100.00 | 100.00 |
| | 338.60 | 675.00 |
| Total | 338.60 | 675.00 |

Note 8 Inventories:

| Particulars | As at 31 March, 2023 | As at 31 March, 2022 |
|--------------------|----------------------|----------------------|
| (a) Finished goods | 28,274.53 | 53,616.96 |
| Total | 28,274.53 | 53,616.96 |

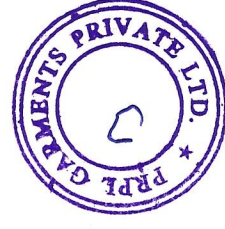


PRPL Garments Private Limited
Accounting Year 2022- 2023

Note "6" Fixed Assets And Depreciation there on

(Amount In Thousands)

| Name of Fixed Assets | Gross Block | | | Depreciation Rate | Depreciation | | | Net Block | | |
|----------------------------|------------------------|-----------|-----------|-------------------|------------------------|------------------------------------|---------------------------|-----------------|------------------------------------|------------------------|
| | Opening As on 01-04-22 | Additions | Deletions | | Closing As on 31-03-23 | Accumulated Balance As on 01-04-22 | Depreciation for the Year | Adjustments | Accumulated Balance As on 31-03-23 | Balance As on 01-04-22 |
| "Tangible Assets" | | | | | | | | | | |
| Computers | 1,965.53 | - | - | 1,965.53 | 1,962.65 | 1.07 | - | 1,963.72 | 1.82 | 2.88 |
| Electrical Fittings | 61.88 | - | - | 61.88 | 56.37 | 1.43 | - | 57.80 | 4.09 | 5.52 |
| Furniture | 959.02 | - | - | 959.02 | 711.82 | 64.00 | - | 775.82 | 183.20 | 247.20 |
| Laser Printer | 31.91 | - | - | 31.91 | 30.25 | 1.04 | - | 31.30 | 0.61 | 1.65 |
| Office Equipments | 282.91 | - | - | 282.91 | 272.17 | 5.59 | - | 277.77 | 5.14 | 10.74 |
| Total A | 3,301.26 | - | - | 3,301.26 | 3,033.27 | 73.13 | - | 3,106.40 | 194.86 | 267.99 |
| Computer Software | 878.95 | - | - | 878.95 | 858.60 | 8.00 | - | 866.60 | 12.35 | 20.35 |
| "Intangible Assets" | | | | | | | | | | |
| Refrigerator | 6.89 | - | - | 6.89 | 4.81 | 0.94 | - | 5.74 | 1.14 | 2.08 |
| Printer | 13.70 | - | - | 13.70 | 10.78 | 1.85 | - | 12.62 | 1.08 | 2.92 |
| Grand Total | 20.59 | - | - | 20.59 | 15.58 | 2.78 | - | 18.37 | 2.22 | 5.00 |
| Grand Total | 4,200.79 | - | - | 4,200.79 | 3,907.45 | 83.91 | - | 3,991.36 | 209.43 | 293.34 |



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PRPL Garments Private Limited
Notes Forming Part of the Balance Sheet as at 31st March 2023

Note 9 Trade Receivables

| Particulars | As at 31 March, 2023 | As at 31 March, 2022 |
|--|----------------------|----------------------|
| Trade Receivables, Unsecured, considered good | | |
| Total | 53,253.88 | 70,034.10 |
| | 53,253.88 | 70,034.10 |

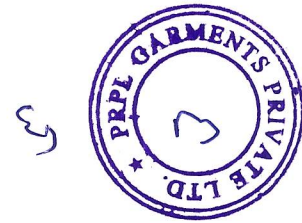
9.1 Trade Receivables includes goods sold and Services rendered in normal course of business. Agewise details of Trade Receivables are not readily available

Note 10 Cash and cash equivalents

| Particulars | As at 31 March, 2023 | As at 31 March, 2022 |
|--------------------------------------|----------------------|----------------------|
| (a) Cash on hand | - | 6.21 |
| (b) Bank Balance | | |
| Kotak Mahindra Bank Ltd-632011002721 | 59.89 | 59.89 |
| HDFC Bank-50200035563089 | 121.21 | 12.08 |
| Yes Bank-007781300000131 | 251.57 | - |
| Yes Bank-012281300000052 | 42.86 | 60.20 |
| Yes Bank-012281300000109 | 5.27 | 5.27 |
| Total | 480.81 | 143.66 |

Note 11 Short-term loans and advances

| Particulars | As at 31 March, 2023 | As at 31 March, 2022 |
|--|----------------------|----------------------|
| (a) Balances with government authorities | | |
| GST Receivable | - | 992.42 |
| Income Tax Refund Receivable | 3.55 | |
| (b) Prepaid Expenses | | |
| Prepaid Insurance | 100.26 | 62.64 |
| Prepaid Internet Charges | 4.27 | - |
| Total | 108.09 | 1,055.06 |



PRPL Garments Private Limited

Notes forming part of Profit & Loss for the year ended 31st March 2023

Note 12 Revenue from operations.

(Amount In Thousands)

| Particulars | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 |
|------------------------|--------------------------------------|--------------------------------------|
| (i) Revenue From Sales | 67,289.32 | 17,912.40 |
| Total | 67,289.32 | 17,912.40 |

Note 13 Other Income

| Particulars | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 |
|-----------------------|--------------------------------------|--------------------------------------|
| (i) Discount Received | 2,137.52 | - |
| (ii) Other Income | 194.73 | - |
| Total | 2,332.25 | - |

Note 14 Cost of materials consumed

| Particulars | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 |
|--|--------------------------------------|--------------------------------------|
| Opening stock | 53,616.96 | 47,791.33 |
| Add: Purchases | 34,211.43 | 17,876.48 |
| Less: Closing stock | 28,274.53 | 53,616.96 |
| Cost of material consumed | 59,553.86 | 12,050.85 |
| Accessories and Direct Expenses | | |
| Accessories | 10.00 | 113.53 |
| Electricity chrges | 62.79 | 105.15 |
| Making Charges | 423.04 | 1,467.99 |
| Packing Material Expenses | - | 26.56 |
| Label Bar | - | 29.09 |
| | 495.84 | 1,742.31 |
| Total | 60,049.70 | 13,793.16 |

Note 15 Finance cost

| Particulars | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 |
|------------------|--------------------------------------|--------------------------------------|
| Bank Charges | 7.15 | 15.53 |
| Interest on TDS | 0.05 | - |
| Interest on Loan | 2,572.81 | 2,838.29 |
| Total | 2,580.02 | 2,853.82 |



PRPL Garments Private Limited

Notes forming part of Profit & Loss for the year ended 31st March 2023

Note 16 Employees Benefits Expenses

| Particulars | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 |
|--------------------------------------|--------------------------------------|--------------------------------------|
| (A)Salaries and wages | | |
| Salaries to Staff & Wages to Workers | 10.45 | 1,094.35 |
| Total | 10.45 | 1,094.35 |

Note 17 Administrative & Other expenses

| Particulars | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 |
|---------------------------|--------------------------------------|--------------------------------------|
| Audit Fees | 75.00 | 75.00 |
| Brokerage & commission | 8.19 | 142.20 |
| Bad Debts | 5,524.89 | - |
| Documentation Charges | 34.95 | 4.70 |
| Donation | 21.20 | 10.20 |
| Discount Given | 4.75 | 0.00 |
| Fire Extinguisher | - | 1.40 |
| Insurance Premium | 88.64 | 111.27 |
| Internet Exp | 1.73 | 18.32 |
| Labour Charges | - | 47.05 |
| Legal & Professional Fees | 8.90 | 6.65 |
| Miscellaneous Expenses | 25.00 | 154.53 |
| Office Expenses | - | 15.65 |
| Postage & courier | - | 1.90 |
| Repairs & Maintenance | - | 38.43 |
| Rent | 1,412.42 | 1,433.60 |
| Travelling Expenses | 34.49 | 25.86 |
| Transport Freight Charges | 347.53 | 137.04 |
| Water Charges | 24.05 | - |
| Profession Tax Paid | 5.00 | - |
| Total | 7,616.74 | 2,223.81 |



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PRPL Garments Private Limited
Accounting Year: 2022 – 2023
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 Assets is Rs.347 /- (Previous year deferred taxes Liability Rs. 5,659 /-)

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

Place: Ambernath
Date: 15-09-2023



Dhanji Patel
Director
DIN 01376164

Place: Ambernath
Date: 15-09-2023



Bharat Patel
Director
DIN 07705156

