

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Imoogi Fashions Private Limited

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of Imoogi Fashions Private Limited ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2020, and the statement of Profit and Loss, statement of changes in equity and statement of Cash Flows for the period 1st April 2019 to 31<sup>st</sup> March 2020, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its loss, changes in equity and its cash flows for the period ended on that date.

#### **Basis for Opinion**

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report but does not include the financial statements and our auditor's report thereon.

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

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

#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is

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not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We give in “Annexure A” a detailed description of Auditor’s responsibilities for Audit of the Financial Statements.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

**AMIT KUMAR AGARWALLA**  
Chartered Accountants

Sneha Garden, Block-A, Flat No-GE

28, Roy Bahadur Road

Kolkata – 700 053

Ph No. 9007131855

Email Id: amitagarwalla1982@gmail.com

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(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure C”.

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

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

**For AMIT KUMAR AGARWALLA**  
Chartered Accountants

AMIT KUMAR AGARWALLA  
Chartered Accountant  
Signature of Chartered Accountant  
Membership No.-068371



CA. A. K. AGARWALLA

Proprietor

Membership No. 068371

UDIN: 20068371AAAABH2513

Place: Kolkata

Date: June 19, 2020

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**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF IMOOGI FASHIONS PRIVATE LIMITED**

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

# AMIT KUMAR AGARWALLA

Chartered Accountants

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

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

**For AMIT KUMAR AGARWALLA**

**Chartered Accountants**

AMIT KUMAR AGARWALLA  
Chartered Accountant  
Signature of Chartered Accountant  
Membership No.-068371



CA. A. K. AGARWALLA

Proprietor

Membership No. 068371

UDIN: 20068371AAAABH2513

Place: Kolkata

Date: June 19, 2020

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**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS  
OF IMOOGI FASHIONS PRIVATE LIMITED FOR THE PERIOD 1st April 2019 TO 31<sup>ST</sup> MARCH 2020**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. The Company does not have any fixed assets during the period. Accordingly, the provisions stated in paragraph 3(i) (a) to (c) of the Order are not applicable to the Company.
- ii. The Company does not have any inventory during the period. Accordingly, the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, there are no amounts outstanding which are in the nature of deposits as on March 31, 2020 and the Company has not accepted any deposits during the period.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.
- vii.
  - (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and any other statutory dues applicable to it.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues

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were outstanding, at the period end, for a period of more than six months from the date they became payable.

- (c) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, customs duty, cess and any other statutory dues which have not been deposited on account of any dispute.
- viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the period. Accordingly, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- ix. 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 period. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.
- x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into transactions with the related parties as stated in the provisions of the sections 177 and 188 of the Act. Accordingly, provisions stated in paragraph 3(xiii) of the Order are not applicable to the Company.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made private placement of shares during the period and the requirements of Section 42 of the Act have been complied with. The amount raised has been used for the purposes for which they were raised.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.



# AMIT KUMAR AGARWALLA

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- xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

**For AMIT KUMAR AGARWALLA**

**Chartered Accountants**

AMIT KUMAR AGARWALL  
Chartered Accountant  
Signature of Chartered Accountant  
Membership No.-068371



CA. A. K. AGARWALLA

Proprietor

Membership No. 068371

UDIN: 20068371AAAABH2513

Place: Kolkata

Date: June 19, 2020

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**ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF IMOOGI FASHIONS PRIVATE LIMITED**

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent 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 with reference to financial statements of IMOOGI Fashions Private Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the period April 1, 2019 to March 31, 2020.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to financial

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statements was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls with Reference to Financial Statements**

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 with Reference to Financial Statements**

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

## Opinion

In our opinion, the Company has, in all material respects, internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

**For AMIT KUMAR AGARWALLA**

**Chartered Accountants**

AMIT KUMAR AGARWALLA  
Chartered Accountant  
Signature of Chartered Accountant  
Membership No.-068371



CA. A. K. AGARWALLA

Proprietor

Membership No. 068371

UDIN: 20068371AAAABH2513

Place: Kolkata

Date: June 19, 2020

**IMOOGI FASHIONS PRIVATE LIMITED**

CIN: U17120WB2010PTC140976

Balance Sheet as at 31st March 2020

( Amount in Rs )

Particulars	Note No.	31st March 2020	31st March 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Deferred tax Asset	4	52,076	35,502
		<b>52,076</b>	<b>35,502</b>
<b>Current assets</b>			
(a) Inventories	5	395,35,512	412,16,537
(b) Financial assets			
(i) Trade receivable	6	112,07,487	121,40,556
(ii) Cash and cash equivalents	7	8,38,766	12,67,668
(iii) Other Bank Balances	8	2,15,851	-
(c) Other current assets	9	28,28,193	16,72,649
		<b>546,25,809</b>	<b>562,97,410</b>
<b>TOTAL ASSETS</b>		<b>546,77,885</b>	<b>563,32,912</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	10	1,00,000	1,00,000
(b) Other equity	11	292,22,169	264,43,787
		<b>293,22,169</b>	<b>265,43,787</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Trade payables	12		
- Total outstanding dues of creditors to micro enterprises and small enterprises		-	-
- Total outstanding dues of creditor to other than micro enterprises and small enterprises		223,94,463	264,01,797
(ii) Other Financial Liabilities	13	16,30,493	24,21,295
(b) Provisions	14	2,02,394	1,36,547
(c) Current tax liabilities (net)	15	10,48,448	6,27,189
(d) Other liabilities	16	79,918	2,02,296
		<b>253,55,716</b>	<b>297,89,124</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>546,77,885</b>	<b>563,32,912</b>
<b>Basis of Accounting</b>	2		
<b>Significant accounting policies</b>	3		
<b>Significant Judgements and key estimates</b>	3.2		
The notes are the integral part of these financial statements			

As per our report of even date

**For AMIT KUMAR AGARWALLA**

Chartered Accountants

**For and on behalf of the Board of Directors**Sd/-  
**(CA A. K. AGARWALLA)**Proprietor  
Membership No. 068371  
Place: Kolkata  
Date: June 19, 2020Sd/-  
**RAMESH AGARWAL**  
Director  
DIN: 00230702Sd/-  
**VIKASH AGARWAL**  
Director  
DIN: 00230728

**IMOOGI FASHIONS PRIVATE LIMITED**
**CIN: U17120WB2010PTC140976**
**Statement of Profit and Loss for the year ended 31st March 2020**

		( Amounts in Rs)	
Particulars	Note No.	For The Year Ending 31st March 2020	For The Year Ending 31st March 2019
<b>I</b> Revenue from operations	17	401,50,070	388,96,689
<b>II</b> Other income	18	63,099	-
<b>III Total Income (I+II)</b>		<b>402,13,169</b>	<b>388,96,689</b>
<b>IV Expenses</b>			
Cost of materials consumed	19	140,76,662	376,98,098
Changes in inventories of finished goods and work in Progress	20	40,84,749	(262,28,292)
Employee benefits expense	21	43,65,058	56,07,229
Finance costs	22	61,046	1,01,235
Other expenses	23	139,01,110	168,17,987
<b>Total Expenses (IV)</b>		<b>364,88,626</b>	<b>339,96,257</b>
<b>V Profit before Exceptional items &amp; Tax (III-IV)</b>		<b>37,24,543</b>	<b>49,00,432</b>
<b>VI Exceptional Items</b>			
<b>VII Profit/(Loss) Before Tax (V-VI)</b>		<b>37,24,543</b>	<b>49,00,432</b>
<b>VIII Tax expense</b>			
a) Current tax(Net of Prov for Earlier year Tax)	24	9,75,459	13,72,484
b) Deferred tax		(19,777)	(17,372)
<b>IX Profit for the year (VII- VIII)</b>		<b>27,68,860</b>	<b>35,45,320</b>
<b>X Other Comprehensive Income</b>			
A. (i) Items that will not be reclassified to profit or loss			
-Remeasurements of defined benefit plans		12,724	46,935
(ii) Income tax relating to items that will not be reclassified to profit or loss		(3,203)	(12,203)
<b>XI Other Comprehensive Income for the year [(A(i-ii) +B(i-ii))]</b>		<b>9,521</b>	<b>34,732</b>
<b>XII Total Comprehensive Income for the year (IX+XI)</b>		<b>27,78,382</b>	<b>35,80,051</b>
<b>XIII Earnings per equity share</b>			
Basic earnings per share (Rs)	26	276.89	354.53
Diluted earnings per share (Rs)	26	276.89	354.53
<b>Basis of Accounting</b>	<b>2</b>		
<b>Significant accounting policies</b>	<b>3</b>		
<b>Significant Judgements and key estimates</b>	<b>3.2</b>		
The notes are the integral part of these financial statements			

As per our report of even date  
**For AMIT KUMAR AGARWALLA**  
Chartered Accountants

**For and on behalf of the Board of Directors**

Sd/-  
**(CA A. K. AGARWALLA)**  
Proprietor  
Membership No. 068371  
Place: Kolkata  
Date: June 19, 2020

Sd/-  
**RAMESH AGARWAL**  
Director  
DIN: 00230702

Sd/-  
**VIKASH AGARWAL**  
Director  
DIN: 00230728

**IMOOGI FASHIONS PRIVATE LIMITED**
**CIN: U17120WB2010PTC140976**
**CASH FLOW STATEMENT for the year ended 31st March 2020**

Particulars	For The Year Ending 31st March 2020		For The Year Ending 31st March 2019	
<b>A. CASH FLOW ARISING FROM OPERATING ACTIVITIES</b>				
<b>Profit Before Tax</b>		37,24,543		49,00,432
<b>Adjustment to reconcile profit before tax to net cash flows</b>				
(a) Finance Cost	61,046		1,01,235	
(b) Liab written off	(50,000)			
(b) Bad debts / Expenses written off	-		81,407	
(c) Interest Income	(13,099)	(2,053)	-	1,82,642
<b>Operating Profit before Working Capital Changes</b>		37,22,491		50,83,073
<b>Changes in Working capital</b>				
(a) Increase/(Decrease) in Trade Payables	(39,57,334)		183,00,981	
(b) Increase/(Decrease) in other Current Liabilities	(9,13,182)		(75,58,839)	
(c) Increase/(Decrease) in Provisions	78,571		66,815	
(d) (Increase)/ Decrease in Inventories	16,81,025		(182,26,970)	
(e) (Increase) / Decrease in Trade Receivables	9,33,069		(17,17,919)	
(f) (Increase) / Decrease in other Current Assets	(13,71,395)	(35,49,246)	21,07,845	(70,28,087)
<b>Cash Generated from Operations</b>		1,73,246		(19,45,014)
<b>Less: (a) Direct Taxes Paid</b>		(5,54,200)		(12,42,650)
<b>Net Cash from Operating Activities</b>		(3,80,954)		(31,87,664)
<b>B. CASH FLOW ARISING FROM INVESTING ACTIVITIES</b>				
(a) Interest received		13,099		-
<b>Net Cash used in Investing Activities</b>		13,099		-
<b>C. CASH FLOW ARISING FORM FINANCING ACTIVITIES</b>				
(a) Finance Cost		(61,046)		(1,01,235)
<b>Net Cash from Financing Activities</b>		(61,046)		(1,01,235)
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalent (A+B+C)</b>		(4,28,902)		(32,88,898)
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>		12,67,668		45,56,566
<b>Cash &amp; Cash Equivalents at the end of the year</b>		8,38,766		12,67,668

For AMIT KUMAR AGARWALLA  
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-  
(CA A. K. AGARWALLA)  
Proprietor  
Membership No. 068371  
Place: Kolkata  
Date: June 19, 2020

Sd/-  
Ramesh Agarwal  
Director  
DIN : 00230702

Sd/-  
Vikash Agarwal  
Director  
DIN : 00230728

**IMOOGI FASHIONS PRIVATE LIMITED**

**CIN: U17120WB2010PTC140976**

**Standalone Statement of Change in Equity for the quarter and year ended 31st March, 2020**

**a) Equity Share Capital**

**Amounts in Rs**

Balance as at 1st April 2018	1,00,000
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at 31st March, 2019	1,00,000
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at 31st March, 2020	1,00,000

**b) Other Equity**

**(Amount In Rs )**

	<b>Reserves &amp; Surplus</b>	<b>Total</b>
	<b>Retained Earnings</b>	
<b>Balance as at 1st April, 2018</b>	<b>228,63,736</b>	<b>228,63,736</b>
Profit for the Year	35,45,320	35,45,320
Remeasurement Gain on defined benefit plans ( Net of Taxes)	34,732	34,732
<b>Total Comprehensive Income</b>	<b>35,80,051</b>	<b>35,80,051</b>
<b>Balance as at 31st March, 2019</b>	<b>264,43,787</b>	<b>264,43,787</b>

**(Amount In Rs )**

	<b>Reserves &amp; Surplus</b>	<b>Total</b>
	<b>Retained Earnings</b>	
<b>Balance as at 1st April, 2019</b>	<b>264,43,787</b>	<b>264,43,787</b>
Profit for the Year	27,68,860	27,68,860
Remeasurement Gain on defined benefit plans ( Net of Taxes)	9,521	9,521
<b>Total Comprehensive Income</b>	<b>27,78,382</b>	<b>27,78,382</b>
<b>Balance as at 31st March, 2020</b>	<b>292,22,169</b>	<b>292,22,169</b>

The Notes are an integral part of the Standalone Financial Statements

As per our report of even date

**For AMIT KUMAR AGARWALLA**

Chartered Accountants

**For and on behalf of the Board of Directors**

Sd/-  
**(CA A. K. AGARWALLA)**

Proprietor

Membership No. 068371

Place: Kolkata

Date: June 19, 2020

Sd/-  
**RAMESH AGARWAL**

Director

DIN: 00230702

Sd/-  
**VIKASH AGARWAL**

Director

DIN: 00230728



**IMOOGI FASHIONS PRIVATE LIMITED**  
**CIN: U17120WB2010PTC140976**  
**NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020**

**1. CORPORATE AND GENERAL INFORMATION**

Imoogi Fashions Private Limited (the Company) was incorporated in India in the year 2010 having its registered office in Metro Towers, 8<sup>TH</sup> Floor , 1 , Ho Chi Minh Sarani, Kolkata - 700071 .

The Company is incorporated under provision of Companies Act applicable in India. The Company is primarily engaged in manufacture, processing and selling of hosiery products. The Financial statements are approved for issue by the Company's Board of Directors on June 19, 2020

**2. BASIS OF ACCOUNTING**

**I. Statement of Compliance**

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

**II. Basis of Measurement**

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date.

**III. Functional and Presentation Currency**

The Financial Statements have been presented in Indian Rupees (INR), which is functional currency of the Company and the currency of primary economic environment in which company operates.

**IV. Use of Estimates and Judgements**

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring adjustment to the carrying amounts of assets or liabilities in future periods

## V. Current Vs non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

## 3. SIGNIFICANT ACCOUNTING POLICIES

### I. Inventories

**Raw materials and packing materials** are valued at lower of cost or net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw material, packing materials and accessories is determined on Weighted Average Basis.

**Work-in-progress and finished goods** are valued at lower of cost or net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of Work-in-progress and Finished Goods is determined on Weighted Average basis

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### II. Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

### **III. Income Tax**

Income Tax comprises current and deferred tax. It is recognized in The Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

- **Current Tax**

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

- **Deferred Tax**

Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

### **IV. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

The specific recognition criteria described below must also be met before revenue is recognized.

- **Sale of Goods**

Revenue from the sale of goods is recognized when significant risks and rewards of ownership are transferred to customers and the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue from the sale of goods is measured at the fair value of the consideration received or receivables, net of returns and allowances, trade discounts and volume rebates.

- **Interest Income**

For all financial instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts or payments over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

- **Other Operating Revenue**

Commission is recognized as revenue when services attached to it have been performed.

## **V. Employee Benefits**

**Short term employee benefit:** Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

- **Defined benefit plan:** The Company operates defined benefit plan for its employees, viz., gratuity. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses is recognized in full in the period in which they occur in the statement of profit and loss.
- **Defined Contribution Plan:** Retirement benefits in the form of Provident and Pension Funds are defined contribution schemes and are charged to the statement of profit and loss of the period when the contributions to the respective funds are due. The Company has no obligation other than contributions to the respective funds. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the selected service."

- **Leave Encashment:** The leave balances of the employees are only encashable during the year and cannot be accumulated and carried forward to next year.

## VI. Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial Assets

#### ➤ **Recognition and Initial Measurement:**

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

#### ➤ **Classification and Subsequent Measurement:**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
  - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
  - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
  - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
  - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

- Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.
- Equity Instruments measured at FVTOCI: All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

#### ➤ **Derecognition**

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

#### ➤ **Impairment of Financial Assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### **Financial Liabilities**

#### ➤ **Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### ➤ **Subsequent Measurement:**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are

subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

➤ **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

➤ **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

**VII. Impairment of Non-Financial Assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

**VIII. Provisions, Contingent Liabilities and Contingent Assets**

• Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

- Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

- Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

## **IX. Measurement of Fair Values**

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value is measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

## **X. Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



## **XI. Dividend distribution to equity holders**

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### **3.2 Critical accounting judgements and key sources of estimation uncertainty:**

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Allowances for Doubtful Debts:** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

## Notes to the Financial Statements for the year ended 31st March 2020

### Provision for Gratuity

As at 31st March 2020	As at 31st March 2019
52,076	35,502
<b>52,076</b>	<b>35,502</b>

Particulars	As at 1st April, 2018	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31st March, 2019
<b>Deferred Income Tax Assets</b>				
Provision for Gratuity	30,333	17,372	(12,203)	35,502
	<b>30,333</b>	<b>17,372</b>	<b>(12,203)</b>	<b>35,502</b>

Particulars	As at 1st April, 2019	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31st March, 2020
<b>Deferred Income Tax Assets</b>				
Provision for Gratuity	35,502	19,777	(3,203)	52,076
	<b>35,502</b>	<b>19,777</b>	<b>(3,203)</b>	<b>52,076</b>

## Balance with Govt Authorities

Amount in Rs	
31st March 2020	31st March 2019
46,88,553	22,84,828
<b>46,88,553</b>	<b>22,84,828</b>
166,78,518	181,60,144
181,68,441	207,71,564
<b>348,46,959</b>	<b>389,31,709</b>
<b>395,35,512</b>	<b>412,16,537</b>

Current	
31st March 2020	31st March 2019
112,07,487	121,40,556
<b>112,07,487</b>	<b>121,40,556</b>

31st March 2020	31st March 2019
57,607	55,819
7,81,159	12,11,849
-	-
<b>8,38,766</b>	<b>12,67,668</b>

31st March 2020	31st March 2019
2,15,851	-
<b>2,15,851</b>	<b>-</b>

Non Current		Current	
31st March 2020	31st March 2019	31st March 2020	31st March 2019
-	-	19,84,844	5,85,187
		8,43,349	10,87,462
-	-	28,28,193	16,72,649

**IMOOGI FASHIONS PRIVATE LIMITED**

CIN: U17120WB2010PTC140976

Notes to the Financial Statements for the year ended 31st March 2020

**10. Equity share capital****Authorised share capital**

Equity shares of Rs 10/- each

As at 31st March 2020		As at 31st March 2019	
No. of Shares	Amount	No. of Shares	Amount
1,00,000	10,00,000	1,00,000	10,00,000
<b>1,00,000</b>	<b>10,00,000</b>	<b>1,00,000</b>	<b>10,00,000</b>

**Issued share capital**

Equity shares of Rs 10/- each

10,000	1,00,000	10,000	1,00,000
<b>10,000</b>	<b>1,00,000</b>	<b>10,000</b>	<b>1,00,000</b>

**Subscribed & Paid-up share capital**

Equity shares of Rs. 10/- each

10,000	1,00,000	10,000	1,00,000
<b>10,000</b>	<b>1,00,000</b>	<b>10,000</b>	<b>1,00,000</b>

**a) Reconciliation of the number of shares at the beginning and at the end of the year**

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

**b) Terms/ Rights attached to Equity Shares :**

The Company has only one class of equity shares having a par value of Rs 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Share hold by Holding or Ultimate Holding Company**

Name	Nature of relationship	As at 31st March 2020		As at 31st March 2019	
		No.	Amount	No.	Amount
Rupa & Company Limited	Holding Company	10,000	1,00,000	10,000	1,00,000

**d) Details of shareholders holding****Equity Shares of Rs 10/- each, fully paid up**

Rupa &amp; Company Limited

As at 31st March 2020		As at 31st March 2019	
No. of Shares	% Holding	No. of Shares	% Holding
10,000	100%	10,000	100%

As per records of the Company, including its register of shareholders / members as on 31st March, 2019, the above shareholding represents legal ownership of shares.

e) The company has neither issued bonus shares nor has bought back any shares during last 5 years

f) No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

g) No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

h) No calls are unpaid by any Director or Officer of the Company during the year.

Particulars	Ref. Note	31st March 2020	31st March 2019
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**11. Other equity****Retained earnings**

11.1 292,22,169 264,43,787

**292,22,169 264,43,787**

Particulars	31st March 2020	31st March 2019
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**11.1 Retained earnings**

Opening balance	264,43,787	228,63,736
Add: Profit for the period	27,68,860	35,45,320
Less: Remeasurement of Defined benefit plans net of tax	9,521	34,732
	<b>292,22,169</b>	<b>264,43,787</b>

**IMOOGI FASHIONS PRIVATE LIMITED**

CIN: U17120WB2010PTC140976

Notes to the Financial Statements for the year ended 31st March 2020

**12. Trade payables**

Due to micro, small and medium enterprises (refer note 24)

Due to Creditors other than micro, small and medium enterprises

Current	
31st March 2020	31st March 2019
-	-
223,94,463	264,01,797
<b>223,94,463</b>	<b>264,01,797</b>

**13. Other Financial Liabilities**

Book Overdraft

Security Deposit from Customers

Payable to Employees

Others

Non Current	
31st March 2020	31st March 2019
-	-
-	-
-	-
-	-
<b>-</b>	<b>-</b>

Current	
31st March 2020	31st March 2019
-	-
9,87,364	14,02,000
3,17,168	5,43,703
3,25,961	4,75,592
<b>16,30,493</b>	<b>24,21,295</b>

**14. Provisions**

Provision for gratuity

Non Current	
31st March 2020	31st March 2019
-	-
-	-

Current	
31st March 2020	31st March 2019
2,02,394	1,36,547
<b>2,02,394</b>	<b>1,36,547</b>

**15. Current Tax Liabilities (Net)**

Provisions for Taxation (Net of Advance Tax and TDS)

Current	
31st March 2020	31st March 2019
10,48,448	6,27,189
<b>10,48,448</b>	<b>6,27,189</b>

**16. Other Liabilities**

Advances from customers

Liabilities for Expense

Statutory dues payable

Non Current	
31st March 2020	31st March 2019
-	-
-	-
-	-
<b>-</b>	<b>-</b>

Current	
31st March 2020	31st March 2019
-	-
50,000	50,000
29,918	1,52,296
<b>79,918</b>	<b>2,02,296</b>

**IMOOGI FASHIONS PRIVATE LIMITED**
**CIN: U17120WB2010PTC140976**
**Notes to the Financial Statements for the year ended 31st March 2020**

Particulars	31st March 2020	31st March 2019
<b>17. Revenue from operations</b>		
<b>Sale of products :</b>		
Finished Goods	399,18,754	385,99,465
Semi-Finished Goods	2,30,786	2,78,024
	<b>401,49,541</b>	<b>388,77,489</b>
<b>Other operating revenues</b>		
Scrap Sale	529	19,200
Consignment Commission	-	-
	<b>529</b>	<b>19,200</b>
	<b>401,50,070</b>	<b>388,96,689</b>

Particulars	31st March 2020	(Amount In Rs ) 31st March 2019
<b>18. Other income</b>		
<b>Interest income :</b>		
On Bank deposits	13,099	-
On other receivable	-	-
	<b>13,099</b>	<b>-</b>
<b>Other Non Operating income :</b>		
Liability written off	50,000	-
	<b>50,000</b>	<b>-</b>
	<b>63,099</b>	<b>-</b>

Particulars	31st March 2020	31st March 2019
<b>19. Cost of material consumed</b>		
Opening inventory	22,84,828	102,86,150
Add : Purchases	164,80,387	296,96,776
Less : Inventory at the end of the year	46,88,553	22,84,828
	<b>140,76,662</b>	<b>376,98,098</b>

Particulars	31st March 2020	(Amount In Rs ) 31st March 2019
<b>20. Changes in Inventories of Finished Goods and Work in Progress</b>		
<b>Opening stock</b>		
Finished Goods	181,60,144	112,99,520
Work in Progress	207,71,564	14,03,897
	<b>389,31,709</b>	<b>127,03,417</b>
<b>Closing stock</b>		
Finished Goods	166,78,518	181,60,144
Work in Progress	181,68,441	207,71,564
	<b>348,46,959</b>	<b>389,31,709</b>
	<b>40,84,749</b>	<b>(262,28,292)</b>

Particulars	31st March 2020	(Amount In Rs ) 31st March 2019
<b>21. Employee benefit expense</b>		
Salaries, Wages and Bonus	42,40,797	54,47,397
Contribution to Provident and Other Funds	45,689	93,018
Gratuity**	78,572	66,814
	<b>43,65,058</b>	<b>56,07,229</b>

\*\* For descriptive notes on disclosure of defined benefit obligation refer note no. 26

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Particulars	31st March 2020	31st March 2019
<b>22. Finance costs</b>		
<b>Interest Expenses</b>		
On Deposits and Others	60,765	92,657
<b>Other Borrowing Costs</b>		
Other Financial Charges	281	8,578
	<b>61,046</b>	<b>1,01,235</b>

Particulars	31st March 2020	31st March 2019
<b>23. Other expenses</b>		
Sub-contracting /Job Worker expenses	94,99,808	87,45,581
Freight outwards and Forwarding expenses	4,34,528	81,842
Rates and taxes	41,680	8,759
Insurance	33,748	25,625
Repairs and Maintenance :	3,68,778	-
Advertising & Sales Promotions	5,91,388	33,64,072
Brokerage	9,00,613	9,36,980
Travelling and Conveyance	13,31,760	28,71,105
Legal and professional fees	1,32,479	86,100
Payment to auditor (refer note below)	50,000	50,000
Bad Debts/ advance written off	-	81,407
Miscellaneous expenses	5,16,327	5,66,516
	<b>139,01,110</b>	<b>168,17,987</b>

Particulars	31st March 2020	31st March 2019
<b>24. Tax Expense</b>		
Current Tax for the year	9,75,459	13,72,484
Deferred Tax for the year	(19,777)	(17,372)
Tax Expense in Statement of Profit & Loss	<b>9,55,683</b>	<b>13,55,112</b>

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- 25 In the absence of any confirmation from vendors regarding the status of their registration under the "Micro, Small and Medium Enterprises Development Act 2006" the Company is unable to make provision wherever required under the said Act.

**26 Earning per share**

Particulars	(Amount in Rs.)	
	31st March 2020	31st March 2019
Profit as per Statement of Profit & Loss attributable to Equity Shareholders (a)	27,68,860	35,45,320
Weighted average number of Equity Shares (in number) (b)	10,000	10,000
Basic & Diluted Earnings Per Share (a/b) (Nominal Value - ₹ 1 per share)	276.89	354.53

**27 Employee Benefit (Defined Benefit Plan)**

The Company has a defined benefit gratuity plan. Every employee who has completed at least five years or more of service is entitled to Gratuity on terms as per the provisions of The Payment of Gratuity Act, 1972.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the present value of defined benefit obligation measured with actuarial valuation being carried out

Particulars	2019-20	2018-19
<b>Change Defined Benefits obligation</b>		
Obligations at beginning of the year	1,36,546	1,16,667
Current Service cost	68,058	57,831
Past Service cost	-	-
Interest Cost	10,514	8,983
Benefits settled	-	-
Actuarial (gain) /loss (through OCI)	(12,724)	(46,935)
Obligations at end of the year	2,02,394	1,36,546

Particulars	2019-20	2018-19
<b>Net Asset/(Liabilities) recognised in Balance Sheet</b>		
Net defined benefit Liability/(Asset) at the beginning of the year	1,36,546	1,16,667
Defined benefit cost included in Profit and Loss Statement	78,572	66,814
Total remeasurements included in Other Comprehensive Income	(12,724)	(46,935)
Net Asset/(Liability) recognised in the Balance Sheet	2,02,394	1,36,546

Particulars	2019-20	2018-19
<b>Expenses recognised in the Statement of Profit &amp; Loss</b>		
Current Service Cost	68,058	57,831
Past Service Cost	-	-
Interest Cost	10,514	8,983
<b>Total</b>	<b>78,572</b>	<b>66,814</b>

Particulars	2019-20	2018-19
<b>Re-measurement (gains) / losses in OCI</b>		
Actuarial (gain) / loss due to financial assumption changes	16,242	11,854
Actuarial (gain) / loss due to experience adjustments	(28,966)	(58,789)
<b>Total amount routed through OCI</b>	<b>(12,724)</b>	<b>(46,935)</b>

Particulars	2019-20	2018-19
<b>The principal assumptions used in determining gratuity benefit obligations</b>		
Discount Rate	7.70%	7.70%
Future salary increases	6.00%	6.00%
Mortality Rate	IALM (2012-14) table	
Withdrawal Rate	1%-8%	1%-8%

A quantitative sensitivity analysis for significant assumption as at 31 March 2020 is as shown below:

Particulars	Sensitivity	2019-20		2018-19	
		Increase	Decrease	Increase	Decrease
<b>Effects on Defined Benefit Obligation due to change in</b>					
Discount Rate	1%	1,79,765	2,29,349	1,21,552	1,54,298
Further salary increase	1%	2,30,449	1,78,542	1,55,168	1,20,635
Withdrawal Rate	1%	2,01,275	2,03,274	1,36,174	1,36,640

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The average duration of the defined benefit plan obligation at the end of the reporting period is 6.1 years (March 31, 2019: 6.17 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows :

Particulars	2019-20
Expected benefits payment for the year ending on	
March 31, 2021	4,682
March 31, 2022	5,287
March 31, 2023	8,726
March 31, 2024	13,131
March 31, 2025	13,555
April 01, 2025 onwards	5,20,320

#### Defined Contribution Plan

Particulars	2019-20	2018-19
Contribution to Provident/pension funds (refer note no. 21)	45,689	93,018

## 28 Related Party Disclosures:

#### Names of related parties and related party relationship

- Related parties where control exists                      Rupa & Company Limited
- Enterprises in which key managerial                      Rupa Dyeing & Printing Pvt Ltd  
personnel (KMP) or their relatives                      Oban Fashion Private Limited  
have significant influence

#### Details of transactions entered into with related parties along with balances as at year end are as given below:

Nature of Transaction	Name of the party	2019-20	2018-19
Purchase	Rupa & Company Limited	52,82,668	184,22,151
	Rupa Dyeing & Printing Pvt Ltd		1,00,309
Sub Contracting Expense	Rupa & Company Limited	62,14,766	49,07,819
	Rupa Dyeing & Printing Pvt Ltd	3,14,106	61,905
Sales	Oban Fashions Private Limited	11,48,576	6,89,675
	Rupa & Company Limited	31,14,889	12,68,636

#### Balance As at year end

Particulars	Name of the party	2019-20	2018-19
Trade Payable	Rupa & Company Limited	102,89,096	179,16,211
	Rupa Dyeing & Printing Pvt Ltd	1,15,732	-
Advance	Rupa & Company Limited	-	-
Trade Receivable	Oban Fashions Private Limited	16,28,878	7,24,159

## 29 Capital Management

The Company's objective is to maintain a strong capital base to ensure sustained growth in business. The Capital Management focusses to maintain an optimal structure that balances growth and maximizes shareholder value. The Company is wholly equity financed. Further, the Company has sufficient cash, cash equivalents and financial assets which are liquid to meet the debts.

## 30 Disclosure on Financial Instrument and Fairvalue Hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the three levels as disclosed in accounting Policy no. 3(IX)

There are no transfer between levels during the year.

The carrying value of trade receivables, trade payables, cash and cash equivalents and other current financial assets and liabilities approximate their fair values largely due to the short-term maturities. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

## 31 Financial Risk Management

The Company's activities expose it to the following risks:

- a) Credit risk
- b) Liquidity risk
- c) Market risk

#### a) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including deposits with banks and financial institutions



**i) Trade receivables**

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivable disclosed in note 6.

**ii) Bank deposit**

Credit risk is limited as the Company generally invest in deposits with banks.

**b) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically the Company ensures that it has sufficient cash on demand to meet expected short term operational expenses.

**c) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk. Financial instruments affected by market risk include borrowings, trade receivable and trade payable.

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company does not have any debt obligations with floating interest rates, hence, is not exposed to any interest rate risk.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have any foreign currency exposure and hence, is not exposed to any foreign currency risk.

**32** Previous year figures have been regrouped and/or rearranged wherever necessary.

As per our report of even date

**For AMIT KUMAR AGARWALLA**

Chartered Accountants

**For and on behalf of the Board of Directors**

Sd/-

**(CA A. K. AGARWALLA)**

Proprietor

Membership No. 068371

Place: Kolkata

Date: June 19, 2020

Sd/-

**RAMESH AGARWAL**

Director

DIN: 00230702

Sd/-

**VIKASH AGARWAL**

Director

DIN: 00230728