

INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF

IMOOGI FASHIONS PRIVATE LIMITED

Report on the Standalone Ind-AS Financial Statements

Opinion

We have audited the accompanying standalone Ind-AS financial statements of **IMOOGI FASHIONS PRIVATE LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the statement of cash flows for the year then ended, and notes to the standalone Ind-AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind-AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind-AS 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, of the state of affairs of the Company as at March 31, 2019, and loss for the year, and its cash flows for the year 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind-AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind-AS financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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

The Company's Board of Directors is responsible for the preparation of the other information. The other information obtained at the date of this auditor's report comprises the information included in the Management Discussion and Operating and Financial Review report, but does not include the Financial Statements and our Auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Ind-AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind-AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind -AS and other accounting principles generally accepted in India. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibilities for the Audit of the Ind-AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind-AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind-AS 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements



represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the "Annexure - A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of accounts.
- d) In our opinion, the aforesaid Ind-AS 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".



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

- i. The Company did not have any pending litigations with the statutory authority and there is no impact on same in Ind-AS financial statements;
- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses: and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For MITTAL & AGRAWAL
Chartered Accountants
Firm Regn No. 322461E



(CA. A. K. Mittal)
Partner

Membership No. 056496



PLACE : KOLKATA

DATED : The 13th day of May, 2019

'ANNEXURE - A' TO THE INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS of our report of even date on the accounts for the year ended on **31st March, 2019** of **M/S. IMOOGI FASHIONS PRIVATE LIMITED,** WE REPORT THAT -

- (i) The company does not have any Fixed Assets. Thus, paragraph 3 (i) of the order is not applicable to the company.
- (ii) According to the information and explanations given to us and on the basis of our examination of the inventory of the company has been physically verified by the management at reasonable intervals. No material discrepancies are noted on such verification.
- (iii) The company has not granted any Secured or Unsecured loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Thus sub clauses (a), (b) and (c) of paragraph 3 (iii) are not applicable to company.
- (iv) The Company has neither granted any loans nor made any investment U/s 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security. Thus paragraph 3 (iv) of the order is not applicable to the Company.
- (v) As explained to us, the company has not accepted any deposits, from public in the meaning of the directives issued by the Reserve Bank of India and provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under, and no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal for the noncompliance of directive of the same. Thus para 3(v) of the order is not applicable to the Company.
- (vi) Maintenance of cost records has not been specified by the Central Government under sub - section (1) of section 148 of the Companies Act 2013 for any product of the company.
- (vii) (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable to the company with the appropriate authorities and no undisputed amount payable is respect of any statutory dues were outstanding as at 31st March 2019 for a period of more than six months from the date they became payable.

(b) According to information and explanation given to us, there are no such case where income tax or sales tax or service tax or duty of customs or duty of excise value added tax or Goods and Service Tax 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 holder during the year. Thus, Paragraph 3 (viii) of the order is not applicable to the company.
- (ix) According to information and explanation give to us by the management, the company has not raised moneys by way of initial public offer or further public offer and the company has not applied for term loans during the year. Thus, Para 3(ix) of the order is not applicable to the company.
- (x) To the best of our knowledge and according to information and explanation given to us by the management, no fraud on or by the company was noticed or reported during the course of our audit.
- (xi) The company has not paid any managerial remuneration for the year under review. Therefore the provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable to the Company.
- (xii) The company is not a Nidhi Company.
- (xiii) The provisions of section 177 are not applicable to the company. However, all transactions with related parties are in compliance with section 188 of the Companies Act, 2013 and the details of such transactions have been disclosed in Financial Statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanation given to us by the management the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him. Thus Para 3 (xv) of the order is not applicable to company.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **MITTAL & AGARWAL**
Chartered Accountants
Firm Regn No. 322461E



(CA. A. K. MITTAL)
Partner
Membership No. 056496



PLACE : KOLKATA.

DATED : THE 13TH DAY MAY, 2019.

'ANNEXURE - B' TO 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 over financial reporting of **IMOOGI FASHIONS PRIVATE LIMITED** ('the Company') as of 31st March 2019 in conjunction with our audit of the standalone Ind AS 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 ('ICAI'). 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 the 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 were 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 auditors' 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 the 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.

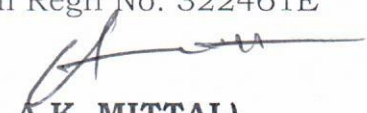
INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MITTAL & AGARWAL
Chartered Accountants
Firm Regn No. 322461E


(CA. A.K. MITTAL)
Partner



Membership No. 056496

PLACE : KOLKATA

DATED : The 13th day of May , 2019

IMOOGI FASHIONS PRIVATE LIMITED

CIN: U17120WB2010PTC140976

Balance Sheet as at 31st March 2019

(Amount in Rs)

Particulars	Note No.	31st March 2019	31st March 2018
ASSETS			
Non-current assets			
(a) Deferred tax Asset	4	35,502	30,333
		35,502	30,333
Current assets			
(a) Inventories	5	4,12,16,537	2,29,89,567
(b) Financial assets			
(i) Trade receivable	6	1,21,40,556	1,05,04,044
(ii) Cash and cash equivalents	7	12,67,668	45,56,566
(c) Other current assets	8	16,72,649	37,80,494
		5,62,97,410	4,18,30,671
		5,63,32,912	4,18,61,004
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	9	1,00,000	1,00,000
(b) Other equity	10	2,64,43,787	2,28,63,736
		2,65,43,787	2,29,63,736
Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	11		
- Total outstanding dues of creditors to micro enterprises and small enterprises			
- Total outstanding dues of creditor to other than micro enterprises and small enterprises		2,64,01,797	81,00,816
(ii) Other Financial Liabilities	12	24,21,295	25,18,018
(b) Provisions	13	1,36,547	1,16,667
(c) Current tax liabilities (net)	14	6,27,189	4,97,355
(c) Other liabilities	15	2,02,296	76,64,412
		2,97,89,124	1,88,97,268
		5,63,32,912	4,18,61,004
TOTAL EQUITY & LIABILITIES			

Basis of Accounting

2

Significant accounting policies

3

Significant Judgements and key estimates

3.2

The notes are the integral part of these financial statements

As per our report of even date

For Mittal & Agarwal

Chartered Accountants

Firm Registration No. 322461E

(Signature)
(CA A. K. MITTAL)

Partner

Membership No. 056496

Place: Kolkata

Date: 13/05/2019



For and on behalf of the Board of Directors

(Signature)
RAMESH AGARWAL

Director

DIN: 00230702

(Signature)
VIKASH AGARWAL

Director

DIN: 00230728

IMOOGI FASHIONS PRIVATE LIMITED

CIN: U17120WB2010PTC140976

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

Particulars	Note No.	(Amounts in Rs)	
		For The Year Ending 31st March 2019	For The Year Ending 31st March 2018
I Revenue from operations	16	3,88,96,689	3,94,53,564
II Other income	17	-	6,16,425
III Total Income (I+II)		<u>3,88,96,689</u>	<u>4,00,69,988</u>
IV Expenses			
Cost of materials consumed	18	3,76,98,098	2,53,12,552
Changes in inventories of finished goods and work in Progress	19	(2,62,28,292)	(32,41,012)
Employee benefits expense	20	56,07,229	47,14,327
Finance costs	21	1,01,235	1,56,954
Other expenses	22	1,68,17,987	84,10,228
Total Expenses (IV)		<u>3,39,96,257</u>	<u>3,53,53,049</u>
V Profit before Exceptional items & Tax (III-IV)		49,00,432	47,16,939
VI Exceptional Items			
VII Profit/(Loss) Before Tax (V-VI)		49,00,432	47,16,939
VIII Tax expense			
a) Current tax	23	13,72,484	12,31,074
b) Deferred tax		(17,372)	(12,719)
IX Profit for the year (VII- VIII)		<u>35,45,320</u>	<u>34,98,585</u>
X Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit or loss			
-Remeasurements of defined benefit plans		46,935	26,896
(ii) Income tax relating to items that will not be reclassified to profit or loss		(12,203)	(6,993)
XI Other Comprehensive Income for the year [(A(i-ii) +B(i-ii)]		<u>34,732</u>	<u>19,903</u>
XII Total Comprehensive Income for the year (IX+XI)		<u>35,80,052</u>	<u>35,18,488</u>
XIII Earnings per equity share			
Basic earnings per share (Rs)	25	354.53	349.86
Diluted earnings per share (Rs)	25	354.53	349.86
Basis of Accounting	2		
Significant accounting policies	3		
Significant Judgements and key estimates	3.2		
The notes are the integral part of these financial statements			

As per our report of even date

For Mittal & Agarwal

Chartered Accountants

Firm Registration No. 322461E


(CA) K. MITTAL

Partner

Membership No. 056496

Place: Kolkata

Date: 23/05/2019



For and on behalf of the Board of Directors


RAMESH AGARWAL

Director

DIN: 00230702


VIKASH AGARWAL

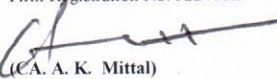
Director

DIN: 00230728


IMOOGI FASHIONS PRIVATE LIMITED
 CIN: U17120WB2010PTC140976
 CASH FLOW STATEMENT for the year ended 31st March, 2019

Particulars	31st March 2019	31st March 2018
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES		
Profit Before Tax	49,00,432	47,16,939
Adjustment to reconcile profit before tax to net cash flows		
(a) Finance Cost	1,01,235	1,56,954
(b) Bad debts / Expenses written off	81,407	39,730
(c) Interest Income	-	(6,16,425)
Operating Profit before Working Capital Changes	50,83,074	42,97,198
Changes in Working capital		
(a) Increase/(Decrease) in Trade Payables	1,83,00,981	32,47,150
(b) Increase/(Decrease) in other Current Liabilities	(75,58,839)	(32,34,086)
(c) Increase/(Decrease) in Provisions	66,815	63,931
(d) (Increase)/ Decrease in Inventories	(1,82,26,970)	(60,91,768)
(e) (Increase) / Decrease in Trade Receivables	(17,17,919)	(58,77,163)
(f) (Increase) / Decrease in other Current Assets	21,07,845	(32,58,238)
Cash Generated from Operations	(19,45,012)	(1,08,52,976)
Less: (a) Direct Taxes Paid	(12,42,650)	(10,35,481)
Net Cash from Operating Activities	(31,87,662)	(1,18,88,457)
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES		
(a) Interest received	-	6,16,425
Net Cash used in Investing Activities	-	6,16,425
C. CASH FLOW ARISING FROM FINANCING ACTIVITIES		
(a) Finance Cost	(1,01,235)	(1,56,954)
Net Cash from Financing Activities	(1,01,235)	(1,56,954)
Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C)	(32,88,897)	(1,14,28,986)
Cash & Cash Equivalents at the beginning of the year	45,56,566	1,59,85,552
Cash & Cash Equivalents at the end of the year	12,67,669	45,56,566


1. Previous Year figures have been regrouped/reclassified to confirm to current year's classification.

For Mittal & Agarwal
 Chartered Accountants
 Firm Registration No. 322461E

 (C.A. A. K. Mittal)
 Partner
 Membership No. 056496




 Ramesh Agarwal
 Director
 DIN : 00230702

For and on behalf of the Board of Directors


 Vikash Agarwal
 Director
 DIN : 00230728

Place: Kolkata
 Date: 13/05/2019

IMOOGI FASHIONS PRIVATE LIMITED
CIN: U17120WB2010PTC140976

Standalone Statement of Change in Equity for the year ended 31st March, 2019

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

b) Other Equity

(Amount In Rs)

	Reserves & Surplus	Total
	Retained Earnings	
Balance as at 1st April, 2017	1,93,45,248	1,93,45,248
Profit for the Year	34,98,585	34,98,585
Remeasurement Gain on defined benefit plans (Net of Taxes)	19,903	19,903
Total Comprehensive Income	35,18,488	35,18,488
Balance as at 31st March, 2018	2,28,63,736	2,28,63,736

	Reserves & Surplus	Total
	Retained Earnings	
Balance as at 1st April, 2018	2,28,63,736	2,28,63,736
Profit for the Year	35,45,320	35,45,320
Remeasurement Gain on defined benefit plans (Net of Taxes)	34,732	34,732
Total Comprehensive Income	35,80,051	35,80,051
Balance as at 31st March, 2019	2,64,43,787	2,64,43,787

The Notes are an integral part of the Standalone Financial Statements

As per our report of even date

For Mittal & Agarwal

Chartered Accountants

Firm Registration No. 322461E


(CA A. K. MITTAL)

Partner

Membership No. 056496

Place: Kolkata

Date: 13/05/2019




RAMESH AGARWAL
Director
DIN: 00230702


VIKASH AGARWAL
Director
DIN: 00230728

IMOOGI FASHIONS PRIVATE LIMITED

CIN: U17120WB2010PTC140976

Notes to the Financial Statements for the year ended 31st March 2019

4. Deferred Tax Asset

Deferred Tax Assets

Arising on account of:

Provision for Gratuity

	As at 31st March 2019	As at 31st March 2018
	35,502	30,333
	35,502	30,333

4.1 Movement in deferred tax assets during the year ended 31st March, 2018 and 31st March, 2019

Particulars	As at 1st April, 2017	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31st March, 2018
Deferred Income Tax Assets				
Provision for Gratuity	24,607	12,719	(6,993)	30,333
	24,607	12,719	(6,993)	30,333

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

5. Inventories

(Valued at lower of cost and Net realisable value)

Raw Material

Raw Material

	Amount in Rs	
	31st March 2019	31st March 2018
	22,84,828	1,02,86,150
	22,84,828	1,02,86,150

Finished / Semi-finished products

Finished Goods

Work in Progress

	1,81,60,144	1,12,99,520
	2,07,71,564	14,03,897
	3,89,31,709	1,27,03,417
	4,12,16,537	2,29,89,567

Mode of Valuation - Ref Note no. 3 (f) of Accounting policy.

6. Trade receivable

Unsecured, considered good

	Current	
	31st March 2019	31st March 2018
	1,21,40,556	1,05,04,044
	1,21,40,556	1,05,04,044

a) Trade receivables are measured at amortised cost

b) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.

7. Cash and cash equivalents

Cash in hand

Balances with banks

Current accounts

Deposits with original maturity for less than 3 months

	31st March 2019	31st March 2018
	55,819	62,266
	12,11,849	44,94,300
	12,67,668	45,56,566

8. Other Assets (Unsecured Considered)

Advances Other than Capital Advances

Advance against supply of goods & services

Balance with Govt Authorities

Non Current		Current	
31st March 2019	31st March 2018	31st March 2019	31st March 2018
		5,85,187	33,16,381
		10,87,462	4,64,113
		16,72,649	37,80,494



IMOOGI FASHIONS PRIVATE LIMITED

CIN: U17120WB2010PTC140976

Notes to the Financial Statements for the year ended 31st March 2019

9. Equity share capital

Authorised share capital

Equity shares of Rs 10/- each

As at 31st March 2019		As at 31st March 2018	
No. of Shares	Amount	No. of Shares	Amount
1,00,000	10,00,000	1,00,000	10,00,000
1,00,000	10,00,000	1,00,000	10,00,000

Issued share capital

Equity shares of Rs 10/- each

10,000	1,00,000	10,000	1,00,000
10,000	1,00,000	10,000	1,00,000

Subscribed & Paid-up share capital

Equity shares of Rs. 10/- each

10,000	1,00,000	10,000	1,00,000
10,000	1,00,000	10,000	1,00,000

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 held by Holding or Ultimate Holding Company

Name	Nature of relationship	As at 31st March 2019		As at 31st March 2018	
		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 & Company Limited

As at 31st March 2019		As at 31st March 2018	
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

10. Other equity

Retained earnings

Ref. Note	31st March 2019	31st March 2018
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10.1 2,64,43,787 2,28,63,736

2,64,43,787 2,28,63,736

Particulars

10.1 Retained earnings

Opening balance

Add: Profit for the period

Less: Remeasurement of Defined benefit plans net of tax

31st March 2019	31st March 2018
-----------------	-----------------

2,28,63,736 1,93,45,248

35,45,320 34,98,585

34,732 19,903

2,64,43,787 2,28,63,736



IMOOGI FASHIONS PRIVATE LIMITED

CIN: U17120WB2010PTC140976

Notes to the Financial Statements for the year ended 31st March 2019

11. 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 2019	31st March 2018
		-	-
		2,64,01,797	81,00,816
		2,64,01,797	81,00,816

12. Other Financial Liabilities

Security Deposit from Customers

Payable to Employees

Others

		Non Current		Current	
		31st March 2019	31st March 2018	31st March 2019	31st March 2018
		-	-	14,02,000	17,47,000
		-	-	5,43,703	4,42,684
		-	-	4,75,592	3,28,334
		-	-	24,21,295	25,18,018

13. Provisions

Provision for gratuity

		Non Current		Current	
		31st March 2019	31st March 2018	31st March 2019	31st March 2018
		-	-	1,36,547	1,16,667
		-	-	1,36,547	1,16,667

14. Current Tax Liabilities (Net)

Provisions for Taxation (Net of Advance Tax and TDS)

		Current	
		31st March 2019	31st March 2018
		6,27,189	4,97,355
		6,27,189	4,97,355

15. Other Liabilities

Advances from customers

Liabilities for Expense

Statutory dues payable

		Non Current		Current	
		31st March 2019	31st March 2018	31st March 2019	31st March 2018
		-	-	-	75,41,052
		-	-	50,000.00	-
		-	-	1,52,296	1,23,360
		-	-	2,02,296	76,64,412



IMOOGI FASHIONS PRIVATE LIMITED

CIN: U17120WB2010PTC140976

Notes to the Financial Statements for the year ended 31st March 2019

Particulars	(Amount In Rs)	
	31st March 2019	31st March 2018
16. Revenue from operations		
Sale of products :		
Finished Goods	3,85,99,465	3,82,33,374
Semi-Finished Goods	2,78,024	7,70,604
	<u>3,88,77,489</u>	<u>3,90,03,978</u>
Other operating revenues		
Scrap Sale	19,200	-
Consignment Commission	-	4,49,586
	<u>19,200</u>	<u>4,49,586</u>
	<u>3,88,96,689</u>	<u>3,94,53,564</u>

Details of product sold

Knitwear	3,85,99,465	3,82,33,374
Than/Yarn	2,78,024	7,70,604

Particulars	(Amount In Rs)	
	31st March 2019	31st March 2018
17. Other income		
Interest income :		
On Bank deposits	-	6,16,425
	<u>-</u>	<u>6,16,425</u>

Particulars	(Amount In Rs)	
	31st March 2019	31st March 2018
18. Cost of material consumed		
Opening inventory	1,02,86,150	74,75,124
Add : Purchases	2,96,96,776	2,81,23,577
Less : Inventory at the end of the year	22,84,828	1,02,86,150
	<u>3,76,98,098</u>	<u>2,53,12,552</u>
Details Of Raw Material Consumed		
Yarn / Than	3,33,44,225	2,07,56,292
Packing Material	43,53,873	45,56,260

Particulars	(Amount In Rs)	
	31st March 2019	31st March 2018
19. Changes in Inventories of Finished Goods and Work in Progress		
Opening stock		
Finished Goods	1,12,99,520	83,82,455
Work in Progress	14,03,897	10,79,950
	<u>1,27,03,417</u>	<u>94,62,405</u>
Closing stock		
Finished Goods	1,81,60,144	1,12,99,520
Work in Progress	2,07,71,564	14,03,897
	<u>3,89,31,709</u>	<u>1,27,03,417</u>
	<u>(2,62,28,292)</u>	<u>(32,41,012)</u>

Particulars	(Amount In Rs)	
	31st March 2019	31st March 2018
20. Employee benefit expense		
Salaries, Wages and Bonus	54,47,397	46,26,056
Contribution to Provident and Other Funds	93,018	24,341
Gratuity**	66,814	63,930
	<u>56,07,229</u>	<u>47,14,327</u>

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



IMOOGI FASHIONS PRIVATE LIMITED
CIN: U17120WB2010PTC140976
Notes to the Financial Statements for the year ended 31st March 2019

(Amount In Rs)

Particulars	31st March 2019	31st March 2018
21. Finance costs		
Interest Expenses		
On Deposits and Others	92,657	1,53,420
Other Borrowing Costs		
Other Financial Charges	8,578	3,534
	1,01,235	1,56,954

Particulars	31st March 2019	31st March 2018
22. Other expenses		
Sub-contracting /Job Worker expenses	87,45,581	45,07,138
Freight outwards and Forwarding expenses	81,842	1,84,859
Rates and taxes	8,759	73,776
Insurance	25,625	42,500
Advertising & Sales Promotions	33,64,072	7,99,975
Brokerage	9,36,980	1,58,182
Travelling and Conveyance	28,71,105	20,83,565
Legal and professional fees	86,100	98,980
Payment to auditor (refer note below)	50,000	27,000
Bad Debts/ advance written off	81,407	39,730
Miscellaneous expenses	5,66,516	3,94,544
	1,68,17,987	84,10,228

Particulars	31st March 2019	31st March 2018
23. Tax Expense		
Current Tax for the year	13,72,484	12,31,074
Deferred Tax for the year	(17,372)	(12,719)
Tax Expense in Statement of Profit & Loss	13,55,112	12,18,354

Reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of comprehensive income

Income before Income taxes	49,00,432	47,16,939
Indian Statutory Income tax Rate*	26.00%	25.75%
Estimated Income tax expenses	12,74,112	12,14,612

Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:

Expenses Disallowed for tax purpose	17,372	16,462
Deferred tax arising out of timing difference	(17,372)	(16,462)
Others	68,000	3,742
Income Tax expense in the Statement of Profit and Loss	13,42,112	12,96,393



IMOOGI FASHIONS PRIVATE LIMITED

CIN: U17120WB2010PTC140976

Notes to the Financial Statements for the year ended 31st March 2019

24 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.

25 Earning per share

	(Amount in Rs.)	
	2018-19	2017-18
Profit as per Statement of Profit & Loss attributable to Equity Shareholders (a)	35,45,320	34,98,585
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)	354.53	349.86

26 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

	31-Mar-19	31-Mar-18
Change Defined Benefits obligation		
Obligations at beginning of the year	1,16,667	79,633
Current Service cost	57,831	57,758
Past Service cost	-	-
Interest Cost	8,983	6,172
Benefits settled	-	-
Actuarial (gain) /loss (through OCI)	(46,935)	(26,896)
Obligations at end of the year	1,36,546	1,16,667

	31-Mar-19	31-Mar-18
Net Asset/(Liabilities) recognised in Balance Sheet		
Net defined benefit Liability/(Asset) at the beginning of the year	1,16,667	79,633
Defined benefit cost included in Profit and Loss Statement	66,814	63,930
Total remeasurements included in Other Comprehensive Income	(46,935)	(26,896)
Net Asset/(Liability) recognised in the Balance Sheet	1,36,546	1,16,667

	31-Mar-19	31-Mar-18
Expenses recognised in the Statement of Profit & Loss		
Current Service Cost	57,831	57,758
Past Service Cost	-	-
Interest Cost	8,983	6,172
Actuarial (Gain)/Loss through OCI	(46,935)	(26,896)
Actuarial (Gain)/Loss through OCI	19,879	37,034

	31-Mar-19	31-Mar-18
The principal assumptions used in determining gratuity benefit obligations		
Discount Rate	7.70%	7.75%
Future salary increases	6.00%	6.00%
Mortality Rate	IALM (2006-08) table	
Withdrawal Rate	1%-8%	1%-8%

Particulars	31-Mar-19			
	Increase		Increase	
A quantitative sensitivity analysis for significant assumption				
Discount Rate	1%	1,21,552	1%	1,54,298
Further salary increase	1%	1,55,168	1%	1,20,635
Withdrawal Rate	1%	1,36,174	1%	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.



IMOOGI FASHIONS PRIVATE LIMITED

CIN: U17120WB2010PTC140976

Notes to the Financial Statements for the year ended 31st March 2019

27 Related Party Disclosures:

Names of related parties and related party relationship

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

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	2018-19	2017-18
Purchase	Rupa & Company Limited	1,84,22,151	2,05,27,561
	Rupa Dyeing & Printing Pvt Ltd	1,00,309	3,06,718
Sub Contracting Expense	Rupa & Company Limited	49,07,819	-
	Rupa Dyeing & Printing Pvt Ltd	61,905	-
Sales	Oban Fashions Private Limited	6,89,675	-
	Rupa & Company Limited	12,68,636	10,78,34,502

Balance As at year end

Particulars	Name of the party	31-Mar-19	31-Mar-18
Trade Payable	Rupa & Company Limited	1,79,16,211	75,41,052
	Rupa Dyeing & Printing Pvt Ltd	-	3,12,014
Trade Receivable	Oban Fashions Private Limited	7,24,159	-

28 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.

29 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.

30 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



IMOOGI FASHIONS PRIVATE LIMITED

CIN: U17120WB2010PTC140976

Notes to the Financial Statements for the year ended 31st March 2019

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.

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

As per our report of even date

For Mittal & Agarwal

Chartered Accountants

Firm Registration No. 322461E

(CA A. K. MITTAL)

Partner

Membership No. 056496

Place: Kolkata

Date: 13/05/2019



For and on behalf of the Board of Directors

RAMESH AGARWAL

Director

DIN: 00230702

VIKASH AGARWAL

Director

DIN: 00230728