



CHAHAN VORA & ASSOCIATES

Chartered Accountants

3B-302, Dheeraj Enclave, Behind Carnival Cinema, Thakur Village, Kandivali (E), Mumbai -400 101.

Independent Auditor's Report

Rangoli Tradecomm Pvt Ltd

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **RANGOLI TRADECOMM PVT LTD** which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, (statement of changes in equity) and statement of cash flows for the year then ended, 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 Standalone 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, 2020, and profit/loss, 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 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 financial statements under the provisions of the Companies Act, 2013 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 Standalone 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 comprises the information included in the Management Discussion and Analysis, Board's Report including annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone 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 Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone 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, 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.

Responsibility of Management for the Standalone 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 Standalone 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 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 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, 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 Responsibility 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 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.

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.

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.

Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements of the current period. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 B" 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:

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.

a. 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.

b. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

c. In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

d. 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 are disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

e. With respect to other matters to be included in the auditors report in accordance with the requirement of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with with the provisions of section 197 of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

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

For Chahan Vora & Associates
Chartered Accountants
Firm Regn.No 147060W

Chahan Vora

CA. Chahan Vora
Partner
M. No. 183464



UDIN: 20183464AAAABZ6730

Place: Mumbai
Date: 26/10/2020



CHAHAN VORA & ASSOCIATES

Chartered Accountants

3B-302, Dheeraj Enclave, Behind Carnival Cinema, Thakur Village, Kandivali (E), Mumbai -400 101.

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RANGOLI TRADECOMM PVT LTD

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 RANGOLI TRADECOMM PVT LTD ('the Company') as of 31 March 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 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 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Chahan Vora & Associates
Chartered Accountants
Firm Regn.No 147060W

Chahan Vora

CA. Chahan Vora
Partner
M. No. 183464



UDIN: 20183464AAAABZ6730

Place: Mumbai
Date: 26/10/2020



CHAHAN VORA & ASSOCIATES

Chartered Accountants

3B-302, Dheeraj Enclave, Behind Carnival Cinema, Thakur Village, Kandivali (E), Mumbai -400 101.

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirement's section of our report of even date)

Reports on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of Rangoli Tradecomm Pvt Ltd

1. In respect of company's Fixed Assets:

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

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) The Company does not hold any Immovable properties.

2. As explained to us, the Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.

3. The Company has granted loans to entities covered in the register maintained under section 189 of Companies Act, 2013.

a) The terms and condition of the grant of such loan are not prejudicial to the Interest of the Company.

b) No schedule of repayment of principal and payment of interest has been stipulated.

c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits in contravention of Directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant

provisions of the Act and the rules framed there under, where applicable . No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

6. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by Central Government for maintenance of cost records u/s 148 of the Act in respect of company's product & services and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. According to the information and explanation given to us, in respect of statutory dues:

(a) According to the records of the company the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, goods & service tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, Service Tax, sales tax, goods and service tax, custom duty, excise duty and cess were in arrears, as at 31st March, 2020 for a period of more than six months from the date they became payable

(c) According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise duty and cess that have not been deposited with appropriate authorities on account of any dispute except Income Tax liability in dispute and hence in appeal

8. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company has not borrowed from financial Institution, Debentures and Government. The Company has not defaulted in respect of Borrowings from Bank.

9. The Company has raised money through Bank Loan during the year which were utilized for the purpose that they were raised for.

10. Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit, that causes the financial statements to be materially misstated.

11. The Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

12. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

13. Based upon the audit procedures performed and according to the information and explanations given to us, all transactions with related parties are in compliance with

sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial statements etc. as required by the applicable accounting standards.

14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence this clause is not applicable

15. The Company has not entered into any non-cash transactions with directors or persons connected with him and hence provision of Section 192 of the Act is not applicable.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Chahan Vora & Associates
Chartered Accountants
Firm Regn.No 147060W



CA. Chahan Vora
Partner
M. No. 183464



UDIN: 20183464AAAABZ6730

Place: Mumbai
Date: 26/10/2020

M/S. RANGOLI TRADECOMM PRIVATE LIMITED
CIN: U51909WB2009PTC137310
STANDALONE BALANCE SHEET AS AT 31 MARCH 2020

(Figures in Rupees)

Sr. No	Particulars	Note	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
I	<u>EQUITY AND LIABILITIES</u>			
	SHAREHOLDER'S FUND			
	SHARE CAPITAL	2	7,330,000.00	7,330,000.00
	RESERVE AND SURPLUS	3	112,752,580.84	91,627,335.00
	NON CURRENT LIABILITIES			
	DEFERRED TAX LIABILITY		4,386.00	-
	CURRENT LIABILITIES			
	TRADE PAYABLES	4	142,505,241.59	-
	SHORT TERM LOANS	5	431,669,628.00	-
	OTHER CURRENT LIABILITIES	6	2,580,814.85	-
	SHORT TERM PROVISIONS	7	9,431,590.00	5,964,170.00
	TOTAL		706,274,241.28	104,921,505.00
II	<u>ASSETS</u>			
	NON CURRENT ASSETS			
	FIXED ASSETS	8		
	TANGIBLE ASSETS		232,364.19	-
	INTANGIBLE ASSETS		51,934.00	-
	NON CURRENT INVESTMENTS	9	31,456,362.49	-
	CURRENT ASSETS			
	INVENTORIES	16	120,484,264.72	-
	TRADE RECEIVABLES	10	308,509,417.17	-
	CASH AND CASH EQUIVALENTS	11	27,311,701.78	621,505.00
	SHORT TERM LOANS AND ADVANCES	12	204,591,520.00	104,300,000.00
	OTHER CURRENT ASSETS	13	13,636,676.93	-
	Total		706,274,241.28	104,921,505.00

Significant accounting Policies 1
 Other Notes to the financial statement 20

The Notes referred to above form an integral part of these financial statement.

For, Chahan Vora and Associates
 Chartered Accountants



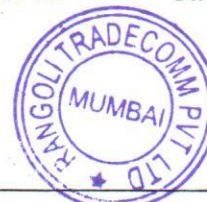
CA Chahan Vora
 Proprietor
 Firm Registration Number: 147060W
 Membership Number: 183464
 UDIN NO : 20183464AAAABZ6730




 Ushik Mahesh Gala
 Director
 DIN: 06995765


 Ishita Gala
 Director
 DIN: 07165038

Place: Mumbai
 Date -26/10/2020



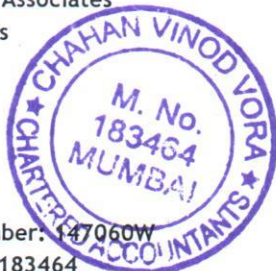
M/S. RANGOLI TRADECOMM PRIVATE LIMITED
CIN: U51909WB2009PTC137310
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31 MARCH, 2020

Sr.No	Particulars	NOTE	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
I	REVENUE			
	REVENUE FROM OPERATIONS	14	1,624,537,134.42	-
	OTHER INCOME	15	29,812,906.68	35,220,000.00
	TOTAL REVENUE		1,654,350,041.10	35,220,000.00
II	EXPENSES			
	PURCHASE OF STOCK IN TRADE	16	1,738,320,701.41	-
	CHANGE IN STOCK	17	(120,484,264.72)	-
	EMPLOYEES BENEFIT EXPENSES	18	3,004,344.26	-
	DEPRECIATION	8	27,729.22	-
	OTHER EXPENSES	19	2,920,309.09	6,236.00
	TOTAL EXPENSES		1,623,788,819.26	6,236.00
III	PROFIT BEFORE EXCEPTIONAL & EXTRAORDINARY ITEMS AND TAX (I-II)		30,561,221.84	35,213,764.00
IV.	EXCEPTIONAL ITEMS		-	-
V.	PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (III-IV)		30,561,221.84	35,213,764.00
VI.	EXTRAORDINARY ITEMS		-	-
VII.	PROFIT BEFORE TAX (V - VI)		30,561,221.84	35,213,764.00
VIII.	TAX EXPENSES			
	CURRENT TAX			
	FOR CURRENT YEAR		9,431,590.00	5,959,170.00
	FOR EARLIER YEARS			-
	DEFERRED TAX		4,386.00	-
IX.	PROFIT/(LOSS) FOR THE YEAR/PERIOD (VII-VIII)		21,125,245.84	29,254,594.00
	EARNING PER SHARE			
	BASIC & DILUTED		28.82	39.91


Significant Accounting Policies 1
Other Notes to the financial statement 20
The notes referred to above form an integral part of these financial statements.

For, Chahan Vora and Associates
Chartered Accountants


CA Chahan Vora
Proprietor
Firm Registration Number: 147060W
Membership Number: 183464
UDIN NO : 20183464AAAABZ6730




Ushik Mahesh Gala
Director
DIN: 06995765


Ishita Gala
Director
DIN: 07165038



Place: Mumbai
Date -26/10/2020

RANGOLI TRADECOMM PRIVATE LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2020

1. Corporate Information:

RANGOLI TRADECOMM PRIVATE LIMITED is a Private Company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company is engaged in a business of Manufacturing of Women Wear Garment.

Basis of Preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards as prescribed under section 133 of the companies act 2013('the act') read with rule 7 of the Companies (Accounting) Rules, 2014 and the provisions of the Companies Act 2013 (to the extent notified). The Financial statements have been prepared on an accrual basis. The accounting policies adopted in the preparation of financial statements are considered with those of previous year, except for the change in accounting policy explained below.

2. Summary of significant accounting policies:

A. Use of estimates

The preparation of financial statements in conformity with Indian GAAP 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 a material adjustment to the carrying amounts of assets or liabilities in future periods.

B. 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.

Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer which generally coincide with dispatch and is inclusive of Excise Duty, Sales Tax/VAT, and Freight etc recovered thereon and net of discounts and sales returns.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

RANGOLI TRADECOMM PRIVATE LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2020

C. Fixed assets and Depreciation

Fixed assets are stated at cost net of CENVAT and VAT credit less accumulated depreciation. Cost of acquisition of fixed assets is inclusive of freight, duties and taxes, interest, if any, on specific borrowings utilized for financing the assets up to the date of commissioning, the cost of installation/erection and other incidental expenses.

Depreciation on tangible assets is provided on the Written Down Value method over the useful lives of assets estimated by the management. Depreciation for assets purchased/ Sold during a period is proportionately charged.

D. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognizing of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

E. Inventories

Inventories are valued at Lower of cost and net realizable value. 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.

RANGOLI TRADECOMM PRIVATE LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2020

F. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

G. Foreign currency transaction

Transactions in foreign currency are initially accounted at the exchange rate prevailing on the date of the transaction and adjusted appropriately to capital or revenue, with the difference in the rate of exchange arising on actual receipt/payment during the year.

H. Leases

Where the Company is the lessee

Leases which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are classified as finance leases and are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as assets acquired on finance lease. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges on account of finance leases are charged to statement of profit and loss.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

I. Taxation

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the

reporting date. Deferred Income taxes reflect the impact of timing differences between taxable income and accounting Income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Deferred tax liabilities are recognized for taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is

RANGOLI TRADECOMM PRIVATE LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2020

reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain as the case may be that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain as the case may be that sufficient future taxable income will be available. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority. **Minimum alternate tax (MAT)** paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period. i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

J. Segment Reporting

The company is operating in single segment "business of Manufacturing of Women Wear Garment" and hence segment wise separate reporting as per AS 17 issued by ICAI is not required.

K. Impairment of Assets

At the date of each Balance Sheet the company evaluates, indications of the impairment internally if any, to the carrying amount of its fixed and other assets. If any indication does exist, the recoverable amount is estimated at the higher of the realizable value and value in use, as considered appropriate. If the estimated realizable value is less than the carrying amount, an impairment loss is recognized.

RANGOLI TRADECOMM PRIVATE LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2020

L. Provisions

A provision is recognized when the company has a present obligation as a result of past event, 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 not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

M. 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. The company discloses a contingent liability of an income tax appeal filed against an order of Income Tax Assessment for the A.Y. 2016-17 of Rs. 1,32,54,410/-

N. Borrowing Cost

Borrowing costs directly attributable for acquisition of qualifying assets are capitalized as part of the asset. The other borrowing costs are charged to revenue as and when they are incurred.

O. Earnings Per Share

The company reports basic earning per share in accordance with AS-20 "Earning Per Share". Basic earning per share have been computed by dividing net profit after tax by weighted average number of shares outstanding for the year.

P. 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.

3. Other Notes :-

- i) Contingent Liability provided for in the books NIL (Previous year: - NIL)

RANGOLI TRADECOMM PRIVATE LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2020

- ii) The amount of Exchange difference (Net) credited to the profit & Loss Account for the year Rs. 1,34,742.03.
- iii) The balances appearing under Sundry Debtors, Sundry Creditors Advances to Suppliers and others are subject to confirmation.
- iv) Details of remuneration to Managing Director and Whole Time Director

Particulars	March 31,2020	March 31,2019
Director Remuneration	22,26,666.00	0
Sitting Fees	0	0
Total	22,26,666.00	0

- v) The company has not received information from suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006 and hence the disclosures, if any, relating to amount unpaid as at the year end together with interest paid/payable and other disclosures required to be made U/s.22 of the above Act is having not been given.
- vi) In determining Earning per share as per AS - 20, the Company has considered net profit after tax. The Number of Shares used for determining basic EPS is the total Number of shares issued & fully paid up as at 31st March, 2020.
- vii) No disclosure is required under AS-24 on "Discontinuing Operations" issued by the Institute of Chartered Accountants of India as the company has not discontinued any line of its activity/product line during the year.
- viii) Figures of the previous year have been regrouped and reclassified wherever necessary to confirm to the current year's classification.
- ix) COVID -19 impact: The Company has Omni channel for selling & distribution of its product of core business. Due to COVID-19, there was a lockdown in the entire country which has taken some strategic decision in reducing salary and negotiating the rents payable for coming financial year.
- x) The company has invested in Suumaya Lifestyle Ltd and Nivaka Fashion Limited during the year.

RANGOLI TRADECOMM PRIVATE LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2020

As per our report of even date

For Chahan Vora & Associates
Chartered Accountants
FRN No: 147060W

C. Vora

CA Chahan Vora
Partner
M.No 183464
UDIN: 20183464AAAABZ6730



For & on behalf of the Board

Ishita

Ishita Gala
Managing Director
DIN: 07165038

Ushika

Ushika Gala
Chairman
DIN: 06995765

Place: - Mumbai
Date: - 26/10/2020

RANGOLI TRADECOMM PRIVATE LIMITED
NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

Particular	Figures As At	Figures As At
	31st March, 2020 (Rs.)	31st March, 2019 (Rs.)
NOTE 2 - SHARE CAPITAL		
<u>Authorised Share Capital:</u>		
	7,400,000.00	7,400,000.00
Issued, Subscribed and Paid up:		
733000 Equity shares of Rs.10/- each fully paid up	7,330,000.00	7,330,000.00

2.1 Distribution of shareholding more than 5% of the paid up share capital of the Company.

Name of the shareholders	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	%	No. of Shares	%
Monopoly Vincom Pvt Ltd	2,000	0.27	2,000	0.27
Gandhip Wholeseller pvt Ltd	660,000	90.04	660,000	90.04
Unicon Tie Up private limited	12,500	1.71	12,500	1.71
Intimate Trade link Private Limited	20,000	2.73	20,000	2.73
Jackpot Vintrade Private Limited	26,800	3.66	26,800	3.66
Kanahya Lal Singhania	8,000	1.09	8,000	1.09
Apsara Selection Limited	3,700	0.50	3,700	0.50
TOTAL	733,000.00	100.00	733,000.00	100.00

2.2 During the five reporting period immediately preceding the reporting date, No share have been issued by Capitalisation of reserves as bonus shares or for consideration other than cash.

2.3 The Company has a single class of shares. Accordingly all equity share rank equally with regard to voting rights, dividend and share in the Company's residual assets.

	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	%	No. of Shares	%
NOTE 3 - RESERVE AND SURPLUS				
<u>Share Premium</u>				
Opening Balance	62,370,000.00	62,370,000.00	62,370,000.00	62,370,000.00
Utilised	-		-	
<u>Surplus in Statement of Profit:</u>				
Opening Balance	29,257,335.00		2,741.00	
Transfer from Statement of P&L	21,125,245.84	50,382,580.84	29,254,594.00	29,257,335.00
TOTAL		112,752,580.84		91,527,335.00

RANGOLI TRADECOMM PRIVATE LIMITED
NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

NOTE 4 - TRADE PAYABLE:	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
Trade Payable against Goods		
(a) Dues to micro and small enterprises	-	-
(b) Dues to Others		
For Textiles	81,866,417.83	-
For Polymer	60,638,823.76	-
	142,505,241.59	-

NOTE 5 - Short Term Loans:	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
Other Loans & Advances		
Unsecured - Considered Good	431,669,628.00	
	431,669,628.00	-

NOTE 6 - OTHER CURRENT LIABILITIES	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
Other Payables	2,580,814.85	
	2,580,814.85	-

NOTE 7 - SHORT TERM PROVISIONS	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
Provision for Income Tax	9,431,590.00	5,959,170.00
Other Provisions	-	5,000.00
	9,431,590.00	5,964,170.00

RANGOLI TRADECOMM PRIVATE LIMITED
Fixed Assets and Depreciation as on 31st March 2020

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK			
	As on 01.04.2019	Addition for more than 180 days	Addition for less than 180 days	Deletion/S ale	As on 31.03.2020	Depreciation as on 31.03.2019	Depreciation at full Rate 31.03.2020	Depreciation at half Rate 31.03.2020	Total Depreciation 31.03.2020	As on 31.03.2020	As on 31.03.2019
Tangible Assets (A)											
OFFICE EQUIPMENTS	-	-	118,883	-	118,883	-	8,599	-	8,599	110,284	-
Computers	-	-	139,144	-	139,144	-	17,064	-	17,064	122,080	-
Intangible Assets (B)											
TALLY	-	-	54,000	-	54,000	-	2,066	-	2,066	51,934	-
Total (A)	-	-	312,027	-	312,027	-	27,729	-	27,729	284,298	-

NOTE 9 - INVESTMENTS	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
Advance for Property - Satsang	27,500,000.00	-
Shares of Suumaya Lifestyle Ltd	468,400.00	-
Shares of Nivaka Fashion Ltd	3,487,962.49	-
	31,456,362.49	-

NOTE 10 - TRADE RECEIVABLES	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
Unsecured, considered good		
(a) More than Six Months		
(b) Less than Six Months		
For Textiles	276,223,407.17	-
For Polymer	32,286,010.00	-
	308,509,417.17	-

NOTE 11 - CASH AND CASH EQUIVALENTS:	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
Cash in Hand	11,905,548.35	480,937.00
Balance with Bank		140,568.00
Arihant Bank	39,101.98	-
ICICI	5,747,231.19	-
IDFC	9,619,820.26	-
	27,311,701.78	621,505.00

NOTE 12 - SHORT TERMS LOANS & ADVANCES:	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
Other Loans & Advances		
Unsecured - Considered Good	204,591,520.00	104,300,000.00
	204,591,520.00	104,300,000.00

NOTE 13 - OTHER CURRENT ASSETS:	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
Other Current Assets	925,542.68	
Amount receivable from Govt. Authorities	12,711,134.25	
	13,636,676.93	-

NOTE 14 - REVENUE FROM OPERATIONS	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
Sale of Goods		
Textiles	1,383,120,707.82	-
Polymer	239,811,401.60	-
Sale of Services		
Job Work	1,605,025.00	-
	1,624,537,134.42	-

NOTE 15 - OTHER INCOME	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
Commission Received	29,678,164.65	-
Forex Fluctuation	134,742.03	-
Profit from Sale of Investments	-	35,220,000.00
	29,812,906.68	35,220,000.00

NOTE 16 - PURCHASE OF STOCK IN TRADE:	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
Purchases		
Textiles	1,497,326,060.07	-
Polymer	238,338,268.34	-
Freight Inwards	2,656,373.00	-
	1,738,320,701.41	-

NOTE 17 - CHANGE IN STOCK IN TRADE:	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
Opening Stock	-	
Less: Closing Stock	(120,484,264.72)	-
	(120,484,264.72)	-

NOTE 18 - EMPLOYEE BENEFITS EXPENSES:	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
Salaries	759,578.45	-
Director Remuneration	2,226,666.00	-
Staff Welfare	18,099.81	-
	3,004,344.26	-

NOTE 19 - OTHER EXPENSES	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
Audit Fees	100,000.00	5,000.00
Bank Charges	22,352.46	236.00
Business Promotion	29,431.00	-
Commision Paid on Booking Rent	66,500.00	-
Courier Expenses	2,749.00	-
Discount on Sales	669,514.05	-
Demat Charges	16,348.01	-
Fuel Reimbursement Expenses	8,405.47	-
Electricity Expenses	27,150.00	-
Generator Expenses	17,973.00	-
Hotel Accomodation	46,097.55	-
Insurance	18,956.00	-
Gst Late Filing Fee	580.00	-
Interest On Late Payment Of Tds	1,706.00	-
Late Payment Charges	122,277.01	-
Manpower Service	101,614.00	-
Miscellaneous Expenses	593,776.10	-
Office Expenses	38,810.92	-
Office Rent	480,000.00	-
Printing and Stationery	11,260.00	-
Accounting and Supervision Fees	298,500.00	-
Rent on Plant & Machinery	90,000.00	-
Roc Fees	900.00	1,000.00
Round Off	(0.34)	-
Security Service	60,968.00	-
Service Charges	37,812.00	-
Tour & Travel	42,778.86	-
Telephone & Broadband	13,850.00	-
	2,920,309.09	6,236.00

Note-20

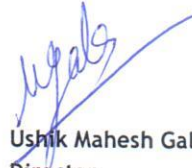
20.1 Related Party Disclosures (AS-18)

<u>S.No</u>	<u>Name</u>	<u>Relation</u>	<u>Nature of Transaction</u>	<u>Amount</u>
1	Sumit Pal Singh	Director	Remuneration	2,226,666.00
2	Ushik Gala	Director	Loan	396,650,310.00
3	Olympus Fintax Solutions Pvt Ltd	Common Director	Loan	23,461,818.00
4	Suumaya Lifestyle Ltd	Common Director	Loan & Advances(Asset)	148,144,697.00
5	Suumaya Lifestyle Ltd	Common Director	Purchases	39,297,095.00
6	Suumaya Fabrics Ltd	Common Director	Purchases	900,028,923.00

For, Chahan Vora and Associates
Chartered Accountants



CA Chahan Vora
Proprietor
Firm Registration Number: 147060W
Membership Number: 183464
UDIN NO : 20183464AAAABZ6730



Ushik Mahesh Gala
Director
DIN: 06995765



Ishita Gala
Director
DIN: 07165038

Place: Mumbai
Date -26/10/2020



M/S. RANGOLI TRADECOMM PRIVATE LIMITED
CIN: U51909WB2009PTC137310
Standalone Cash Flow Statement for the year ended 31 March 2020

PARTICULARS	Figures As At 31st March, 2020 (Rs.)	Figures As At 31st March, 2019 (Rs.)
Cash flows from operating activities		
Profit before taxation	30,561,221.84	29,254,594.00
Adjustments for:		
Depreciation	27,729.22	-
Investment income	-	-
Short Term Provision Written Off	(5,000.00)	-
(Profit) / Loss on the sale of Investment	-	-
Working capital changes:		
(Increase) / Decrease in other current assets	(13,636,676.93)	-
(Increase) / Decrease in trade and other receivables	(308,509,417.17)	-
(Increase) / Decrease in Inventories	(120,484,264.72)	-
(Increase) / Decrease in Short Term Loans & Advances	(100,291,520.00)	(104,300,000.00)
Increase / (Decrease) in trade payables	142,505,241.59	-
Increase / (Decrease) in other current liabilities	2,580,814.85	-
Cash generated from operations	(367,251,871.32)	(75,045,406.00)
Interest paid	-	-
Income taxes paid	5,959,170.00	5,959,170.00
Dividends paid	-	-
Net cash from operating activities	(373,211,041.32)	(69,086,236.00)
Cash flows from investing activities		
Purchase of property, plant and equipment	(312,027.41)	-
Proceeds from sale of Investment	-	-
Acquisition of portfolio investments	(31,456,362.49)	-
Investment income	-	-
Net cash From/ (used) in investing activities	(31,768,389.90)	-
Cash flows from financing activities		
Proceeds from issue of share capital	-	-
Repayment of Share Application Money	-	-
Proceeds from Security Deposits	-	-
Proceeds from long-term loans (Liability)	-	-
Proceeds from short-term loans (Liability)	431,669,628.00	-
Payment of long-term loans (Assets)	-	-
Payment of long-term borrowings	-	-
Net cash flow from financing activities	431,669,628.00	-
Net increase in cash and cash equivalents	26,690,196.78	93,764.00
Cash and cash equivalents at beginning of period	621,505.00	527,740.93
Cash and cash equivalents at end of period	27,311,701.78	621,504.93

For, Chahan Vora and Associates
Chartered Accountants

CA Chahan Vora
Proprietor

Firm Registration Number: 187060W
Membership Number: 183464
UDIN NO : 20183464AAAABZ6730

Place: Mumbai
Date -26/10/2020



Ushik Gala
Director

DIN: 06995765

Ishita Gala
Director

DIN: 07165038

