

Partners :  
Sohan Chaturvedi FCA  
Chaturvedi V N FCA  
Noshir B Captain FCA  
Rajiv Chauhan ACA  
Neha Chauhan ACA  
Christi Chaturvedi ACA  
Prakash Mistry FCA



# Chaturvedi Sohan & Co.

## Chartered Accountants

FRN - 118424W

### Independent Auditor's Report

To  
The Members of  
**Kusumgar Corporate Private Limited**  
Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of **Kusumgar Corporate Private Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss and the Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Accounting Standards ('AS') specified under section 133 of the Act read with the Companies Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023, and its profit and cash flows and for the year ended on that date.

### Basis for Opinion

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

### Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the 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 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, 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 and Board of Directors' Responsibilities for the Financial Statements**

The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the AS specified under section 133 of the Act 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

Materiality is the magnitude of misstatements in the 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.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. Further As required by Section 143(3) of the Act, based on our audit 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 purpose of our audit of the accompanying financial statements;
  - 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, statement of profit and loss and the statement of cash flow dealt with by this report are in agreement with the books of accounts;
  - d) In our opinion, the aforesaid financial statements comply with accounting standard specified under section 133 of the Act;
  - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023 from being appointed as a director in terms of section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March, 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and
  - 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. As informed to us, no litigation is pending against the company which would impact its financials position as at 31<sup>st</sup> March, 2023.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March, 2023.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023
    - iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 45 (h) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any





- manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 45(i) to the financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2023.
3. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us, the remuneration payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For Chaturvedi Sohan & Co

**Chartered Accountant**

FRN: 118424W



Rajiv Chauhan

**Partner**

M.No: 143866

UDIN: 23143866BGXVAR6594



Date: : 7<sup>th</sup> September, 2023

Place: Mumbai

**Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Kusumgar Corporate private Limited on the financial statements for the year ended 31 March 2023**

**In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company has a regular program of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties disclosed in the financial statement are held in the name of the Company.
- (d) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- (e) According to the information and explanation given to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company except some minor difference.
- (iii) According to information and explanation given to us and on the basis of our examination of the records of the Company, during the year the Company has made investments, but not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted loans to below parties during the year in respect of which the requisite information is as below. The Company has not granted any loan, secured or unsecured, to companies, firms or limited liability partnership during the year.





**Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Kusumgar Corporate private Limited on the financial statements for the year ended 31 March 2023**

- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans as below:

Particulars	(Rs. in lacs) Advances in the Nature of loans
Aggregate amount during the year - Employees	29.55/-
Balance outstanding as at balance sheet date - Employees	23.98/-

- (b) In our opinion, and according to the information and explanations given to us and based on the audit procedure conducted by us, in our opinion the terms and conditions of the loan granted during the year are, prime facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed



**Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Kusumgar Corporate private Limited on the financial statements for the year ended 31 March 2023**

the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records 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.

- (vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, term loans were applied for the purpose for which the loan were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associate companies.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.





**Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Kusumgar Corporate private Limited on the financial statements for the year ended 31 March 2023**

- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.  
(b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.  
(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Accounting Standard (AS) 18, Related Party Disclosures specified in Companies.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.  
(b) We have considered the internal audit report of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanation given to us, the Company has not entered into any non cash- transaction with its directors or persons connected to its director and hence , provision of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company.  
(b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the



**Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Kusumgar Corporate private Limited on the financial statements for the year ended 31 March 2023**

evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.  
 (b) In our opinion and according to the information and explanations given to us, In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

Financial year	Amount unspent on Corporate Social Responsibility activities for "Ongoing Project"	Amount Transferred to Special Account within 30 days from the end of the financial year	Amount Transferred after the due date (Specify the date of transfer)
(a)	(b)	(c)	(d)
2022-23	35,01,000/-	35,01,000/-	Nil

- (xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Chaturvedi Sohan & Co  
**Chartered Accountant**  
 FRN: 118424W



Rajiv Chauhan  
**Partner**  
 M.No: 143866  
 UDIN: 23143866BGXVAR6594



Date: 7<sup>th</sup> September, 2023  
 Place: Mumbai



**Annexure B to the Independent Auditor's Report of even date to the members of Kusumgar Corporate Private Limited on the financial statement for the year ended 31 March 2023**

**Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the financial statements of Kusumgar Corporate Private Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal controls with reference to the financial statements criteria established by the Company considering the essential component of internal control stated in Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's 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 Act.

**Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

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

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may



**Annexure B to the Independent Auditor's Report of even date to the members of Kusumgar Corporate Private Limited on the financial statement for the year ended 31 March 2023**

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

**Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal controls with reference to the financial statements criteria established by the Company considering the essential component of internal control stated in Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the institute of Chartered Accountants of India.

For Chaturvedi Sohan & Co  
**Chartered Accountant**  
FRN: 118424W



Rajiv Chauhan  
**Partner**

M.No: 143866

UDIN: 23143866BGXVAR6594



Date: : 7<sup>th</sup> September, 2023  
Place: Mumbai



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Unusual is usual

## **33<sup>rd</sup> Annual Report 2022-2023**





### **DIRECTORS**

Yogesh K Kusumgar  
Siddharth Y Kusumgar  
Kiran N Shah  
Ankur A Kothari  
Sapna Kusumgar

### **DESIGNATION**

Chairman  
Managing Director  
Director  
Director  
Director

### **REGISTERED OFFICE**

101, Manjushree Building,  
V M Road, JVPD Scheme Road No 5,  
Vile Parle (West), Mumbai – 400 056

### **AUDITORS**

Chaturvedi Sohan & Co.

### **BANKERS**

HDFC Bank Limited  
Citi Bank N.A.  
State Bank of India

**Cash Flow Statement for the year 2022-23**

"₹ in Lacs"

Particulars	2022-23		2021-22	
<b>A. Cash Flow from Operating Activities</b>				
Net Profit before Tax as per Statement of Profit and Loss		4,830.04		3,048.18
Add: Depreciation and Amortisation Expense	1,062.46		962.29	
Finance Costs	335.29	1,397.75	131.52	1,093.81
Less: Income under Investing Activities				
Profit on Sale of Assets	13.01	13.01	1.25	1.25
Changes in Working Capital:				
Adjustments for (Increase) / Decrease in Operating Assets:				
Inventories	(1,548.16)		(808.38)	
Trade Receivables	(874.22)		(1,655.22)	
Short-Term Loans and Advances	265.12		211.59	
Long-Term Loans and Advances	66.00		(68.72)	
Other Non-Current Assets	(142.43)		(31.50)	
Other Current Assets	(202.96)	(2,436.64)	(358.43)	(2,710.66)
Adjustments for Increase / (Decrease) in Operating Liabilities:				
Trade Payables	(854.33)		411.81	
Other Current Liabilities	197.28		316.16	
Long Term Provision	(8.52)		37.20	
Short-Term Provisions	(26.68)	(692.25)	21.37	786.54
Cash Generated from Operating Activities		3,111.91		2,219.12
Net Income Tax (Paid) / Refund		(1,250.00)		(820.00)
<b>Net Cash from Operating Activities (A)</b>		<b>1,861.91</b>		<b>1,399.12</b>
<b>B. Cash flow from Investing Activities</b>				
Capital Expenditure on Fixed Assets, including Capital Advances		(2,337.92)		(2,398.46)
Proceeds from Sale of Fixed Assets		59.46		2.96
Profit and Loss on Sale of Assets		(13.01)		(1.25)
Current Investment		-		-
<b>Net Cash (used in) Investing Activities (B)</b>		<b>(2,291.47)</b>		<b>(2,396.75)</b>
<b>C. Cash flow from Financing Activities</b>				
Long-Term Borrowings		(25.89)		311.70
Net Increase / (Decrease) in Working Capital Borrowings		1,479.99		178.32
Current Investment		-		657.59
Finance cost		(335.29)		(131.52)
<b>Net Cash Generated from/(used in) Financing Activities (C)</b>		<b>1,118.81</b>		<b>1,016.08</b>
<b>Net Increase/(Decrease) Cash and Cash Equivalents (A+B+C)</b>		<b>689.26</b>		<b>18.46</b>
Opening Balance of Cash and Cash Equivalents		414.29		395.84
<b>Closing Balance of Cash and Cash Equivalents</b>		<b>1,103.55</b>		<b>414.29</b>
<b>Reconciliation of Cash and Cash Equivalents with the Balance Sheet: Cash and Cash Equivalents at the end of the year *</b>				
* Comprises:				
(a) <u>Balances with Banks</u>				
(i) In Current Accounts		988.34		347.17
(iii) Cash on Hand		9.18		1.29
(b) <u>Other Bank Balances</u>				
(i) In Fixed Deposit (pledged with bank)		106.03		65.83

**Notes:** (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.  
(ii) These earmarked account balances with banks can be utilized only for the specific identified purposes.

**See accompanying notes forming part of the financial statements**

As per our report attached of even date

For **Chaturvedi Sohan & Co.**

Chartered Accountants

Firm Reg. No. : 118424W

  
(Rajiv Chauhan)  
Partner  
Membership No.: 143866



For and on behalf of the Board of Directors

  
Yogesh K Kusumgar  
Director  
DIN : 01080769

  
Siddharth Y Kusumgar  
Director  
DIN : 01676799

Date : 7th September 2023

Place : Mumbai



Balance Sheet as at 31st March 2023

"₹ in Lacs"


Particulars	Notes	As at 31st March 2023	As at 31st March 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders Funds</b>			
a) Share Capital	1	199.00	199.00
b) Reserves & Surplus	2	16,273.07	12,687.80
<b>Non-current Liabilities</b>			
a) Long Term Borrowings	3	1,983.17	2,009.05
b) Long Term Provisions	4	69.91	78.43
c) Deferred Tax Liabilities (Net)	5	213.68	218.90
<b>Current Liabilities</b>			
a) Short Term Borrowings	6	2,639.86	1,159.87
b) Trade Payables	7	1,018.98	1,873.31
c) Other Current Liabilities	8	1,460.10	1,262.82
d) Short Term Provisions	9	37.18	63.85
<b>Total</b>		<b>23,894.93</b>	<b>19,553.03</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
a) Fixed Assets	10		
i) Property, Plants & Equipments		8,396.82	7,592.78
ii) Capital Work-In-Progress		18.96	100.49
iii) Intangible Assets		45.32	68.05
b) Non-Current Investments	11	0.13	0.13
c) Other Non-current Assets	12	566.43	424.00
d) Long-Term Loans and Advances	13	11.37	77.37
<b>Current Assets</b>			
a) Inventories	14	6,102.65	4,554.48
b) Trade Receivables	15	6,062.09	5,187.87
c) Cash and Bank Balance	16	1,103.55	414.29
d) Short-Term Loans and Advances	17	740.57	489.48
e) Other Current Assets	18	847.04	644.09
<b>Total</b>		<b>23,894.93</b>	<b>19,553.03</b>
The notes form an integral Part of these financial statements		1 to 47	

As per our report of even date


For **Chaturvedi Sohan & Co.**

Chartered Accountants


Firm Reg. No. : 118424W




**(Rajiv Chauhan)**  
Partner  
Membership No.: 143866



For and on behalf of the Board of Directors



**Yogesh Kusumgar**  
Director  
DIN : 01080769



**Siddharth Kusumgar**  
Director  
DIN : 01676799

Date : 7th September 2023

Place : Mumbai




UD2N:23143866B4 XVAR6534





**Statement of Profit and Loss for the year ended 31st March 2023**

"₹ in Lacs"

Particulars	Notes	2022-23	2021-22
<b>INCOME:</b>			
Revenue from Operations	19	30,937.78	22,110.76
Other Income	20	578.80	335.76
<b>Total Revenue</b>		<b>31,516.58</b>	<b>22,446.53</b>
<b>EXPENDITURE:</b>			
Cost of Materials	21	16,673.11	10,488.31
Purchase of Stock-in-trade		76.79	848.03
Changes in inventories of finished goods and work-in-progress	22	(1,156.35)	(630.80)
Employee Benefits Expense	23	2,961.05	2,416.01
Other Expenses	24	6,643.22	4,982.44
<b>Total Expenses</b>		<b>25,197.82</b>	<b>18,103.98</b>
<b>Profit Before Interest and Depreciation</b>		<b>6,318.76</b>	<b>4,342.54</b>
Finance Costs	25	426.26	332.07
Depreciation and Amortisation Expense	26	1,062.46	962.29
<b>Total</b>		<b>1,488.72</b>	<b>1,294.36</b>
<b>Profit Before Tax</b>		<b>4,830.04</b>	<b>3,048.18</b>
<b>Tax Expenses:</b>			
Current Tax		1,250.00	820.00
Deferred Tax		(5.22)	(17.73)
<b>Profit for the year</b>		<b>3,585.26</b>	<b>2,245.92</b>
<b>Earnings per equity share:</b>			
Basic & Diluted		1,801.64	1,128.60
The notes form an integral Part of these financial statements	1 to 47		
<p>As per our attached report of even date For <b>Chaturvedi Sohan &amp; Co.</b> Chartered Accountants Firm Reg. No. : 118424W</p> <p style="text-align: right;">For and on behalf of the Board of Directors</p> <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;">   <b>(Rajiv Chauhan)</b>  Partner  Membership No.: 143866 </div> <div style="text-align: center;">   <b>Yogesh Kusumgar</b>  Director  DIN : 01080769 </div> <div style="text-align: center;">   <b>Siddharth Kusumgar</b>  Director  DIN : 01676799 </div> </div> <p>Date : 7th September 2023 Place : Mumbai</p>			



**Note 1 Share Capital**

Particulars	As at 31st March 2023		As at 31st March 2022	
	No.s	"₹ in Lacs"	No.s	"₹ in Lacs"
<b><u>Authorized</u></b>				
Equity shares of ₹ 100 each	300,000	300.00	300,000	300.00
<b><u>Issued</u></b>				
Equity shares of ₹ 100 each	199,000	199.00	199,000	199.00
<b><u>Subscribed &amp; Paid up</u></b>				
Equity shares of ₹ 100 each	199,000	199.00	199,000	199.00
<b>Total</b>	<b>199,000</b>	<b>199.00</b>	<b>199,000</b>	<b>199.00</b>

**Terms/Right attached to Equity Shares**

- 1) The Company has only one class of Equity Shares having a par value of ₹ 100 per share. Each holder of Equity Shares is entitled to one vote per share.
- 2) They are also entitled to dividend if proposed by the Board of Directors and approved by the shareholders in the ensuing Annual General Meeting except in case of interim dividend.
- 3) In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their share holding.

**a) Reconciliation of Shares**

Particulars	As at 31st March 2023		As at 31st March 2022	
	No.s	"₹ in Lacs"	No.s	"₹ in Lacs"
Share outstanding at the beginning of the year	199,000	199.00	199,000	199.00
Share outstanding at the end of the year	199,000	199.00	199,000	199.00

**b) Details of Shareholding in excess of 5%**

Name of Shareholder	As at 31st March 2023		As at 31st March 2022	
	No.s of shares held	% of Holding	No.s of shares held	% of Holding
Siddharth Y Kusumgar	128,813	64.73%	128,813	64.73%
Sapna S Kusumgar	61,567	30.94%	61,567	30.94%

**c) Particulars of shareholders holding by Promoters**

Name of Shareholder	As at 31st March 2023		As at 31st March 2022	
	No.s of shares held	% of Holding	No.s of shares held	% of Holding
Siddharth Y Kusumgar	128,813	64.73%	128,833	64.74%
Sapna S Kusumgar	61,567	30.94%	61,567	30.94%
Siddharth Y Kusumgar HUF	8,500	4.27%	8,500	4.27%
Yogesh K Kusumgar	100	0.05%	100	0.05%

**Note 2 Reserve & Surplus**

"₹ in Lacs"

Particulars	As at 31st March 2023	As at 31st March 2022
<b>a) Securities Premium Account</b>		
Opening Balance	2,693.88	2,693.88
Closing Balance	2,693.88	2,693.88
<b>b) Revaluation Reserve</b>		
Opening Balance	510.84	510.84
Less: Transfer to Fixed Assets	-	-
Closing Balance	510.84	510.84
(During the financial year 2019-20 the Company had sold one revalued land and building related revalued amount of Rs. 1,21,90,500 has been transferred from revaluation reserve to profit & loss account)		
<b>c) General Reserve</b>		
Opening Balance	579.07	579.07
Closing Balance	579.07	579.07
<b>d) Surplus in Profit and Loss Account</b>		
Opening Balance	8,904.01	6,658.10
Add: Net Profit for the current year	3,585.26	2,245.92
Closing Balance	12,489.27	8,904.01
<b>Closing Balance ( a+b+c+d)</b>	<b>16,273.07</b>	<b>12,687.80</b>

**Non-Current Liabilities****Note 3 Long Term Borrowings**

"₹ in Lacs"

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Secured</b>		
a) Term Loan from Bank	2,522.47	2,691.99
Less : Current Maturities transferred to Short Term Borrowings	702.33	682.94
	<b>1,820.15</b>	<b>2,009.05</b>
(Term Loan from State Bank of India are secured by way hypothecation charge on P & M purchase out of Term Loan and Property Located at Plot 1809 at Vapi and Flat No 101 Manjushree at Mumbai and personal guarantee of directors. The loan from State Bank of India was repaid on 04/07/2023 and all hypothecation charge on P&M and other properties has been released by Bank and charge of the same has been released)		
(The above term loan carries an interest of 10.15 % p.a. This loan have following repayment schedules)		
(Term Loan from HDFC Bank Ltd are secured by way hypothecation charge on P & M purchase out of Term Loan and Property Located at Plot 10 & 11 at Kosamba and personal guarantee of directors).		
(Term Loan from HDFC Bank Ltd are secured by way hypothecation charge on P & M purchase out of Term Loan and Property Located at Plot 1271 & 1273 at Tadkeshwar and personal guarantee of directors).		
(The above term loan carries an interest rate from 8.60% p.a. This loan have following repayment schedules)		
(The HDFC loan of Rs 45 CR is having moratorium period of 1 year from the date of disbursement)		
b) Vehicle Loan	282.87	3.04
Less : Current Maturities transferred to Short Term Borrowings	119.85	3.04
	<b>163.02</b>	<b>-</b>
(Secured against the Vehicle and it carries an interest of 6.70 to 7.90 % p.a. )		
(Daimler Financial Services India Private Limited - paid with monthly installment of ₹ 1,27,800/- which ends on 4th May, 2027)		
(Shamrao Vithal Bank - paid with monthly installment of ₹ 1,39,249/- which ends on 12th April, 2023)		
(HDFC Bank Ltd. - paid with monthly installment of ₹ 3,01,082/- which ends on 5th November, 2027)		
(HDFC Bank Ltd. - paid with monthly installment of ₹ 49,821/- which ends on 7th November, 2027)		
<b>Grand Total</b>	<b>1,983.17</b>	<b>2,009.05</b>



**Repayment Schedule for Term Loan from Bank**

"₹ in Lacs"

Sr. No.	Installment period	Outstanding as at 31st March 2023	Monthly Installment Amt.
1	Jan-18 to Mar-23	-	25.21
2	Feb-19 to Jan-26 (Repaid on 4th July 2023)	282.61	12.00
3	Oct-20 to Sep-25	150.00	5.00
4	Oct-21 to Sep-26	1,318.08	25.84
5	Jan-22 to Dec-26	258.89	5.64
6	Mar-23 to Dec-28	512.90	6.36
	(There is no default in terms of repayment of Principle and Interest)	<b>2,522.47</b>	<b>80.05</b>

**Note 4 Long Term Provisions**

"₹ in Lacs"

Particulars	As at 31st March 2023	As at 31st March 2022
Leave Encashment Payable	69.91	55.10
Gratuity Payable	-	23.34
<b>Total</b>	<b>69.91</b>	<b>78.43</b>

**Note 5 Deferred Tax Liabilities (Net)**

"₹ in Lacs"

Particulars	As at 31st March 2023	As at 31st March 2022
a) Deferred Tax Liabilities	223.62	231.18
b) Deferred Tax Assets	8.22	8.42
c) Net Deferred Tax Liabilities / (Assets)	223.37	230.93
d) Amount Debited / (Credited) to Statement of Profit & Loss	(5.22)	(17.73)

**Current Liabilities**  
**Note 6 Short Term Borrowings**

"₹ in Lacs"

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Secured Loans :</b>		
Repayable on demand		
From Bank ( Working Capital loan )	50.00	473.89
PCFC Account	1,767.68	-
Term Loan Current Maturity	702.33	682.94
Vehicle Loan Current Maturity	119.85	3.04
<b>Total</b>	<b>2,639.86</b>	<b>1,159.87</b>

Working Capital Loan @ 8.60% from Banks are secured by hypothecation charge on the stock of Raw Materials, Finished and Semi Finished Goods and Book Debts arising out of Business transactions.

**Note 7 Trade Payables**

"₹ in Lacs"

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Trade Payable ( including acceptance ) :</b>		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,018.98	1,873.31
<b>Total</b>	<b>1,018.98</b>	<b>1,873.31</b>

Ageing of Trade Payables (Undisputed)	As at 31st March 2023	As at 31st March 2022
<b>Dues to Creditors other than Micro enterprises and small enterprises</b>		
Less than 1 year	1,012.86	1,856.88
1 Year - 2 Year	1.89	14.42
2 Year - 3 Year	4.23	2.01
More than 3 Year	-	-
<b>Total</b>	<b>1,018.98</b>	<b>1,873.31</b>

Refer note no 28 of the notes to accounts

**Note 8 Other Current Liabilities**

"₹ in Lacs"

Particulars	As at 31st March 2023	As at 31st March 2022
a) Advance from Customers	291.79	114.04
b) Book Overdrawn	44.85	3.78
c) Deposit Received	3.50	3.00
d) Interest Accrued and Due	22.36	23.26
e) Other Payables		
Sundry Creditors for Capital Goods	63.87	12.48
Statutory Liabilities	84.80	56.18
Expenses Payables	948.92	1,050.06
<b>Total</b>	<b>1,460.10</b>	<b>1,262.82</b>

**Note 9 Short Term Provisions**

"₹ in Lacs"

Particulars	As at 31st March 2023	As at 31st March 2022
a) Provision for Employee Benefits		
Leave Encashment	12.64	39.02
Gratuity Payable	24.53	24.84
<b>Total</b>	<b>37.18</b>	<b>63.85</b>



**Kurumgar**  
UNUSUAL IS USUAL

Note : 10 Fixed Assets

"₹ in Lacs"

SR. NO.	Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
		Balance as at 1st April 2022	Additions	Sold / Transfer / Capital Receipt	Balance as at 31st March 2023	Up to 1st April 2022	Adjustment On A/C Of Sale	Dep	Up to 31st March 2023	Balance as at 31st March 2023	Balance as at 31st March 2022
1	<b>Tangible Assets</b>										
	Land	660.00	310.82	-	970.82	-	-	-	-	970.82	660.00
	Building	1,007.09	7.57	-	1,014.65	404.28	-	35.84	440.12	574.54	602.81
	Leasehold - Building	853.16	22.29	-	875.45	409.65	-	91.12	500.77	374.68	443.50
	Electrical Installation	359.04	3.72	-	362.76	264.51	-	17.66	282.17	80.60	94.53
	Plant & Machinery	10,042.74	1,102.61	246.91	10,898.44	4,511.36	199.31	779.56	5,091.61	5,806.83	5,531.38
	Furniture & Fixtures	234.92	18.66	-	253.58	153.89	-	16.42	170.31	83.27	81.03
	Office Equipment	170.85	47.29	-	218.13	112.42	-	27.75	140.17	77.96	58.43
	Vehicles	337.22	379.53	84.07	632.67	241.02	72.21	56.12	224.93	407.74	96.19
	Computers	100.97	8.81	-	109.78	76.06	-	13.35	89.40	20.38	24.91
	<b>Total</b>	13,765.98	1,901.30	330.98	15,336.30	6,173.20	271.52	1,037.80	6,939.48	8,396.82	7,592.78
	Previous Year's Total	11,818.55	1,967.59	20.16	13,765.98	5,252.55	17.20	937.85	6,173.20	7,592.78	6,566.00
2	<b>Capital Work In Progress</b>										
	C.W.I.P. - Plant & Machinery	100.49	18.96	100.49	18.96	-	-	-	-	18.96	100.49
	<b>Total</b>	100.49	18.96	100.49	18.96	-	-	-	-	18.96	100.49
	Previous Year's Total	9.73	100.49	9.73	100.49	-	-	-	-	100.49	9.73
3	<b>Intangible Assets</b>										
	Computers Software	184.06	1.93	-	185.99	116.01	-	24.66	140.67	45.32	68.05
	<b>Total</b>	184.06	1.93	-	185.99	116.01	-	24.66	140.67	45.32	68.05
	Previous Year's Total	184.06	-	-	184.06	91.57	-	24.44	116.01	68.05	92.49
	<b>Grand Total</b>	14,050.53	1,922.19	431.47	15,541.25	6,289.21	271.52	1,062.46	7,080.15	8,461.10	7,761.32
	Previous Year's Total	12,012.34	2,068.08	29.89	14,050.53	5,344.12	17.20	962.29	6,289.21	7,761.32	6,668.22

CWIP ageing schedule as at 31 Mar 2023				"₹ in Lacs"	
Particulars	Less than 1 year	1-2 years	More than 3 years	Total	
<b>Project in Progress</b>	18.96			18.96	
Projects temporarily suspended					
<b>CWIP ageing schedule as at 31 Mar 2022</b>					
<b>Particulars</b>					
Less than 1 year	100.49	1-2 years	More than 3 years	Total	
<b>Project in Progress</b>	100.49			100.49	
Projects temporarily suspended	-			-	



**Non-Current Assets****Note 11 Non Current Investment**

"₹ in Lacs"

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Non Trade Equity Investment in Subsidiary Company at cost (Un Quoted)</b>		
1000 Equity Shares of Pertex Innovations Pvt Ltd (Face Value Rs. 100)	1.02	-
Less : Provision for impairment (refer note no 41)	1.02	-
<b>Total(a)</b>	-	-
<b>Non Trade Investment at cost ( Un Quoted )</b>		
1000 Equity Shares of Saraswat Co-operative Bank (Face Value Rs. 10)	0.10	0.10
100 Equity Shares of SVC Bank (Face Value Rs. 25)	0.03	0.03
<b>Total(b)</b>	0.13	0.13
<b>Total(a+b)</b>	<b>0.13</b>	<b>0.13</b>

**Note 12 Other Non Current Assets**

"₹ in Lacs"

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Unsecured, considered good</b>		
Security Deposit	566.43	424.00
<b>Total</b>	<b>566.43</b>	<b>424.00</b>

**Note 13 Long-Term Loans and Advances**

"₹ in Lacs"

Particulars	As at 31st March 2023	As at 31st March 2022
Advance Tax (Net off Provision)	11.37	77.37
<b>Total</b>	<b>11.37</b>	<b>77.37</b>

**Note 14 Inventories**

"₹ in Lacs"

Particulars	As at 31st March 2023	As at 31st March 2022
Finished Fabric	2,365.84	1,928
Semi Finished Fabric	1,807.03	1,088
Raw Material	1,666.78	1,364
Stores & Spares	263.01	174
<b>Total</b>	<b>6,102.65</b>	<b>4,554.48</b>
<b>Note : Inventories have been Certified by Management</b>		

**Note 15 Trade Receivables**

"₹ in Lacs"

Particulars	As at 31st March 2023	As at 31st March 2022
Trade Receivables	6,062.09	5,187.87
<b>Total</b>	<b>6,062.09</b>	<b>5,187.87</b>

Trade Receivables ageing schedules	As at 31st March 2023	As at 31st March 2022
<b>Undisputed Trade Receivables - Considered good (Outstanding for following period from due date of payment)</b>		
Less than 6 months	5,261.99	3,815.31
6 Months - 1 Year	743.22	1,304.96
1 Year - 2 Years	42.50	63.05
2 Years - 3 Years	14.38	4.55
More than 3 Years	-	-
<b>Total</b>	<b>6,062.09</b>	<b>5,187.87</b>

**Note 16 Cash and Bank Balance**

"₹ in Lacs"

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Cash and Cash Equivalent</b>		
a) Balance with Banks		
In Current Account	988.34	347.17
b) Cash on Hand	9.18	1.29
<b>Other Bank Balances</b>		
In Fixed Deposit (Against Margin Money)*	106.03	65.83
*(Includes fixed deposit of Rs ( P.Y. Rs ) with maturity of more than 12 Months)		
<b>Total</b>	<b>1,103.55</b>	<b>414.29</b>

**Note 17 Short-Term Loans and Advances**

"₹ in Lacs"

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Unsecured, considered good</b>		
<b>Advances Recoverable in cash or in kind or for value to be received</b>	740.57	489.48
a) Advance paid to Creditors	200.35	129.59
b) Advance Paid to Creditors - Capital	516.22	340.11
c) Loans and Advances given to :		
Employee's Loan	23.98	19.76
Other Advances	0.02	0.02
<b>Total</b>	<b>740.57</b>	<b>489.48</b>

**Note 18 Other Current Assets**

"₹ in Lacs"

Particulars	As at 31st March 2023	As at 31st March 2022
a) Interest Accrued	5.83	7.20
b) Prepaid Expenses	102.24	121.98
c) Receivable / deposits - Government Authority	738.97	514.91
<b>Total</b>	<b>847.04</b>	<b>644.09</b>

**Note 19 Revenue from Operations**

"₹ in Lacs"

Particulars	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Sales	30,937.78	22,110.76
<b>Total</b>	<b>30,937.78</b>	<b>22,110.76</b>

**Note 20 Other Income**

"₹ in Lacs"

Particulars	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Interest Income	15.00	11.16
Sundry Balance W/back	6.27	3.70
Profit on sale of assets	13.01	1.25
Foreign Exchange Gain	86.71	151.60
MEIS Income	14.72	31.24
Income from Investment	-	18.30
Other Income*	443.09	118.50
<b>Total</b>	<b>578.80</b>	<b>335.76</b>

\*Includes RODTEP Income of Rs 240.45 Lacs, Duty Drawback of Rs 166.34 Lacs, Brokerage commission of Rs. 16.26 Lacs, TED income of Rs 12.00 Lacs & Others miscellaneous income of Rs 8.04 Lacs



**Note 21 Cost of Materials**

"₹ in Lacs"

Particulars		For the Year ended 31st March 2023	For the Year ended 31st March 2022
	Opening Stock	1,363.76	1,214.08
Add	Purchases	16,976.13	10,637.99
Less	Closing Stock	1,666.78	1,363.76
<b>Total</b>		<b>16,673.11</b>	<b>10,488.31</b>
( Consumption includes research & development for amount Rs 176.24 lacs)			

**Note 22 Changes in inventories of finished goods and work-in-progress**

"₹ in Lacs"

Particulars		For the Year ended 31st March 2023	For the Year ended 31st March 2022
<b>Finished Stock</b>			
	Opening Stock	1,928.28	1,733.64
	Less: Closing Stock	2,365.84	1,928.28
		437.56	194.64
<b>Semi Finished Stock</b>			
	Opening Stock	1,088.24	652.08
	Less: Closing Stock	1,807.03	1,088.24
		718.79	436.16
<b>Total</b>		<b>1,156.35</b>	<b>630.80</b>

**Note 23 Employee Benefits Expense**

"₹ in Lacs"

Particulars		For the Year ended 31st March 2023	For the Year ended 31st March 2022
	Salaries	1,614.76	1,460.39
	Salaries (Research & Development Staff)	138.30	-
	Wages	880.59	674.43
	Contribution to Provident and Other Funds	151.21	141.24
	Staff Welfare	176.19	139.95
<b>Total</b>		<b>2,961.05</b>	<b>2,416.01</b>

**Note 24 Other Expenses**

"₹ in Lacs"

Particulars	For the Year ended 31st March 2023	For the Year ended 31st March 2022
<b>Manufacturing Expenses</b>		
Consumption of Stores	489.04	312.71
Power & Fuel	1,759.31	1,243.34
Repairs - Plant & Machinery	105.96	111.42
Repairs - Building	19.85	32.95
Repairs - Others	20.77	24.53
Relocation Expenses	33.65	-
Insurance Charges	27.47	34.70
Job work Charges / Labour Charges	1,302.63	1,164.66
Transport, Octroi & Freight Charges	331.89	332.43
Rent Factory	292.12	214.45
Water Charges	133.46	87.41
Effluent Treatment Charges	235.03	168.17
Testing Charges (Research & Development)	67.43	-
Other Manufacturing Expenses	266.37	257.58
<b>Total</b>	<b>5,084.99</b>	<b>3,984.35</b>
<b>Administrative Expenses</b>		
Remuneration to Auditors	5.00	5.00
Professional & Legal Fees	327.98	241.33
Rent, Rates & Taxes	232.62	163.06
Travelling & Conveyance	405.55	198.76
Postage, Courier & Telegrams	33.40	24.09
Printing and Stationery	21.13	13.25
Telephone Expenses	21.60	17.76
Donation	0.41	0.08
CSR ( note no 43 )	41.02	27.08
Sundry Balance Written/off	-	17.88
Provision for impairment of Investment	1.02	-
Other Administrative Expenses	140.78	122.00
<b>Total</b>	<b>1,230.51</b>	<b>830.30</b>
<b>Selling &amp; Distribution Expenses</b>		
Sales Promotion	27.78	27.22
Advertisement Expenses	153.01	2.86
Brokerage & Commission	8.49	11.27
Other Selling Expenses	138.45	126.45
<b>Total</b>	<b>327.72</b>	<b>167.80</b>
<b>Grand Total</b>	<b>6,643.22</b>	<b>4,982.44</b>

**Note 25 Finance Costs**

"₹ in Lacs"

Particulars	For the Year ended 31st March 2023	For the Year ended 31st March 2021
Bank Charges	90.97	55.53
Bank Interest		
On Fixed Loans	215.79	224.69
On Others	88.63	44.39
Interest - Others	30.86	7.46
<b>Total</b>	<b>426.26</b>	<b>332.07</b>

**Note 26 Depreciation and Amortisation Expense**

"₹ in Lacs"

Particulars	For the Year ended 31st March 2023	For the Year ended 31st March 2021
Depreciation on Tangible Assets	1,037.80	937.85
Amortisation of Intangible Assets	24.66	24.44
<b>Total</b>	<b>1,062.46</b>	<b>962.29</b>



Note: 27

**NOTES FORMING PART OF FINANCIAL STATEMENT AS ON 31<sup>ST</sup> MARCH 2023**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

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**SIGNIFICANT ACCOUNTING POLICIES:**

**(a) Accounting basis and convention:**

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly - issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**(b) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the year, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of fixed assets, provision for doubtful debts / advances, future obligations in respect of retirement benefit plans etc. Actual results could differ from these estimates.

**(c) Revenue Recognition:**

Sale of goods is recognized on dispatch of goods to customers and is recorded net of trade discounts, claims, etc. as considered appropriate. Income from services is recognized on rendering of services based on agreements/arrangements with the concerned parties.

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

The government incentive and/or subsidy is recognised only when there is reasonable assurance and/or received during the year.

**(d) Fixed Assets and Depreciation:**

**Tangible Fixed Assets**

Tangible assets are stated at historical cost of acquisition less accumulated depreciation and impairment loss (if any). The cost of tangible assets comprises of its purchase price, non-refundable duties and levies and other directly attributable cost for bringing the asset to its working condition for its intended use. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefit from the existing asset.

Pursuant to the notification of Schedule II of the Companies Act 2013, by the Ministry of Corporate Affairs effective 01 April 2014, the management has internally reassessed and changed, wherever necessary the useful lives to compute depreciation, to conform to the requirements of the Companies Act, 2013.

**The comparison of useful lives is as follows:**

<b>Class of asset</b>	<b>Useful Life's</b>
Buildings	30 years
Furniture and Fixtures	10 years
Office Equipment's other than mobile	5 years
Plant and machinery	15 years
Motor Cars	8 Years
Computers being end user devices	3 Years

Depreciation is provided on a pro-rata basis for assets purchased/sold during the year.

Direct costs are capitalized up to the date the assets are ready to be put to use. Costs include all expenses related to acquisition and installation of the concerned asset.

The company has regular programmed of physical verification of its fixed assets by which by which all fixed assets are verified in the phase manner over a period of three years.

**Intangible Fixed Assets**

Intangible assets comprise of software's and Goodwill purchased from third parties and are amortized over a period of ten years as per the company's policy.

**(e) Investments:**

Current investments are carried at lower of cost and fair value. Long term investments are carried at cost less provision for permanent diminution in value of such investments. Dividend Income is accounted when the right to receive dividend is established.

**(f) Current Assets and Loans & Advances**

In the opinion of the Board, the Current Assets and Loans and Advances have a value or realization at least equal to the amounts at which they are stated in the Balance Sheet.

**(g) Inventories:**

Inventories are valued at lower of cost or net realizable value. Cost is generally ascertained on FIFO method. In case of work in process and finished goods, appropriate overheads are included. Obsolete and slow-moving inventories are adequately provided for. Excise duty on finished goods lying in factories and custom duties on raw material in bonded warehouse are considered for value of inventories as applicable. Purchased goods in transit are accounted at cost.

**(h) Impairment of Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties less the cost of disposal. An impairment loss is charged to the profit and loss in the year in which an asset is identified as impaired.



**(i) Employee Benefits:**

**A) Provident Fund**

Provident fund is a defined contribution scheme and the contribution as required by the statute made to Government/recognized provident fund are charged to profit & loss account.

**B) Gratuity**

Company's liability towards gratuity is determined by actuarial valuation carried out by the independent actuary as at each balance sheet. The actuarial valuation method used for measuring the liability is the projected unit credit method.

**C) Liability for Leave**

Liability for leave is treated as a short-term liability and is accounted for as and when earned by the employee

**D) Other Benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the services.

**E) Actuarial gains and losses**

The actuarial gains and losses are recognized immediately in the statement of profit and loss account

**(j) Foreign exchange transactions:**

Transaction in foreign currency, are recorded at the original rates of exchange at force at the time of transactions are affected. At the year end, monetary items, denominated in foreign currency are reported using the closing rate of exchange. Exchange difference arising thereon and on realization/payment of foreign exchange are accounted for in the relevant year as income or expenses

**(k) Earnings Per Share:**

In arriving at the EPS, the Company's net profit after tax, computed in terms of the Indian GAAP, is divided by the weighted average number of equity shares outstanding on the last day of the reporting period. The EPS thus arrived at is known as 'Basic EPS'.

**(l) Income tax:**

**(i) Current Taxation**

Taxes are accounted for in accordance with Accounting Standard – 22 "Accounting for taxes on income" Current tax are determined as the amount of tax payable in respect of taxable income for the year. A provision is made for income tax annually based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

**(ii) Deferred Taxation**

Deferred tax assets and liabilities are recognized, subject to prudence, on timing differences, being the difference between taxable incomes and accounting income, that originates in one period and is capable of reversal in one or more subsequent periods and quantified using the tax rates and laws enacted or substantively enacted by the reporting date. Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

Deferred tax on difference between the values of the assets/liabilities, arrived at for accounting purpose on the basis of their fair value, and the carrying amounts thereof for tax purposes should not be recognized as this constitutes a permanent difference. The consequent differences between the amounts of depreciation for accounting purpose and tax purposes in respect of such assets in subsequent years would also be permanent.

**(m) Provision, Contingent Liabilities and Contingent assets**

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements

**(n) Unless specifically stated to be otherwise, these policies are consistently followed.**



## NOTES TO THE ACCOUNTS

### **28. AMOUNTS DUE TO SMALL SCALE INDUSTRIAL UNDER TAKINGS:**

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

Sr. No.	Particulars	"Rupees in Lacs"	
		31st March 2023	31st March 2022
a	Principal amount remaining unpaid	-	Nil
b	Interest due thereon @	Nil	Nil
c	The amount of Interest paid along with the amounts of the payment made to the supplier beyond the appointed day @	Nil	Nil
d	The amount of Interest due and payable for the year @	Nil	Nil
e	The amount of Interest accrued and remaining unpaid @	Nil	Nil
f	The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid @	Nil	Nil

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

@ Amounts unpaid to Micro and Small Enterprises vendors on account of retention money have not been considered for the purpose of interest calculation.

### **29. DISCLOSURE OF GRATUITY LIABILITY UNDER ACCOUNTING STANDARD – 15**

The company makes annual contributions to LIC gratuity fund, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payments to vested employees at retirement, death while in employment of an amount equivalent to 15 days salary payable for each completed year of services or part thereof in excess of six months. Vesting occurs only upon completion of five years of service, except in case of death or permanent disability. The present value of the defined benefit obligation and the related current service cost are measured using the projected unit credit method with actuarial valuation being carried out at each balance sheet date.

**Reconciliation of opening and closing balances of present value of the defined benefit obligations for gratuity benefits are given below:**

Details	"Rupees in Lacs"	
	2022-23	2021-22
Defined benefit obligations at the beginning of the year	179.26	140.75
Current service cost	36.78	33.40
Interest cost	12.08	8.99
Past Service Cost – (vested benefits)	-	-
Benefit paid	(9.32)	(16.29)
Actuarial (Gain)/Losses	(0.32)	12.40
Defined Benefit obligations at the year end	218.46	179.26
<b>Change in fair value of Plan Asset</b>		
Fair value of plan asset at the beginning of period	131.08	135.92
Adjustment to opening balance	-	-
Expected Return on plan assets	12.64	11.24
Actuarial Gain/(loss)	(3.64)	(4.62)
Contributions	63.18	4.83
Benefit Settled	(9.32)	(16.29)
Plan asset at fair value at the end of the year	193.93	131.08
<b>Reconciliation of present value of the obligations and the fair value of the plan asset</b>		
Present value of obligation at the end of the year	218.46	179.26
Fair value of plan asset at the end of the year	193.93	131.08

<b>Expenses recognized in statement of Profit &amp; Loss Account</b>		
Current service cost	36.78	33.40
Interest cost on Defined benefit obligation	12.08	8.99
Past Service Cost – (vested benefits)	-	-
Expected return on plan asset	(12.64)	(11.24)
Actuarial Losses	3.32	17.02
Net Cost	39.53	48.18
Interest rate	7.19%	7.24%
Discount factor	7.19%	7.24%
Estimated rate of return on plan asset	8.00%	8.00%
Attrition rate	6%	6%
Rate of escalation in salary per annum	3%	3%
Retirement age	60	60

### 30. RELATED PARTY TRANSACTION: LIST OF RELATED PARTIES

#### # Enterprises over which Key Management Personnel have significant influence:

Specialty Fabrics Pvt. Ltd.  
Engineered Coated Fabric Pvt. Ltd.  
Concord Weaving & Preparatory Pvt. Ltd.  
Kusumgar Technomic Fabrics Pvt. Ltd.  
V B Kusumgar & Co Pvt. Ltd.  
4S Holdings  
Shubita Fabrics LLP  
Kusumgar Holdings LLP  
Paraborn Systems LLP  
Pertex Solution LLP

#### # Key managerial personnel and its relatives:

Yogesh Kusumgar (Director)  
Siddharth Kusumgar (Director)  
Kiran Shah (Director)  
Ankur Kothari (Director)  
Sapna Kusumgar (Director)  
Amita Soni  
Babita Kusumgar  
Sushmi Doshi

#### # Subsidiary Company:

Pertex Innovations Private Limited

DETAILS	RELATIVES OF KEY MANGIERIAL PERSONEL		ASSOCIATED CONCERN	
	2022-23	2021-22	2022-23	2021-22
<b>Advance Received Back</b>				
Paraborn Textile Systems LLP	-	-	-	5.32
<b>TOTAL</b>	-	-	-	<b>5.32</b>
<b>Job Work – Sales</b>				
Specialty Fabrics Pvt. Ltd	-	-	42.46	41.01
<b>TOTAL</b>	-	-	<b>42.46</b>	<b>41.01</b>
<b>Support Services Provided</b>				
Specialty Fabrics Pvt. Ltd	-	-	-	88.05
<b>TOTAL</b>	-	-	-	<b>88.05</b>
<b>Job Work – Expenses</b>				
Engineered Coated Fabric Pvt. Ltd.	-	-	444.45	622.55
<b>TOTAL</b>	-	-	<b>444.45</b>	<b>622.55</b>
<b>Chemical &amp; Packing Material Sale</b>				
Engineered Coated Fabric Pvt. Ltd.	-	-	871.80	-
<b>TOTAL</b>	-	-	<b>871.80</b>	-
<b>Fabric Sales</b>				
Engineered Coated Fabric Pvt. Ltd.	-	-	7846.81	2243.51
Paraborn Systems LLP	-	-	65.61	203.67
Pertex Solution LLP	-	-	-	88.29
<b>TOTAL</b>	-	-	<b>7912.42</b>	<b>2535.47</b>

"Rupees in Lacs"



<b>Fabric Purchase</b>				
Engineered Coated Fabric Pvt. Ltd.		-	1748.69	-
Pertex Solution LLP		-	-	4.22
Paraborn Systems LLP		-	-	847.00
<b>TOTAL</b>		-	<b>1748.69</b>	<b>851.22</b>
<b>Chemical Purchase</b>				
Engineered Coated Fabric Pvt. Ltd.	-	-	0.43	-
<b>TOTAL</b>	-	-	<b>0.43</b>	-
<b>Rent Paid</b>				
4S Holdings	-	-	87.84	102.78
Amita Soni	13.51	13.11	-	-
Babita Kusumgar	13.51	13.11	-	-
Sushmi Doshi	13.51	13.11	-	-
<b>TOTAL</b>	<b>40.53</b>	<b>39.33</b>	<b>87.84</b>	<b>102.78</b>
<b>Interest Paid</b>				
Paraborn Systems LLP	-	-	-	0.80
<b>TOTAL</b>	-	-	-	<b>0.80</b>
<b>Interest Received</b>				
Paraborn Systems LLP	-	-	4.37	4.49
<b>TOTAL</b>	-	-	<b>4.37</b>	<b>4.49</b>
<b>Corporate Guarantee Given to Bank</b>				
Engineered Coated Fabric Pvt. Ltd.	-	-	750.00	750.00
<b>TOTAL</b>	-	-	<b>750.00</b>	<b>750.00</b>
<b>Deposit Given to 4S Holding</b>				
Opening as on 1 <sup>st</sup> April 2022	-	-	235.00	235.00
Add: Given during the year	-	-	-	-
<b>Closing Balance as on 31<sup>st</sup> March 2023</b>	-	-	<b>235.00</b>	<b>235.00</b>
<b>Receivable as on 31<sup>st</sup> March 2023</b>				
Specialty Fabrics Pvt. Ltd	-	-	11.14	65.43
Engineered Coated Fabric Pvt. Ltd.	-	-	2141.31	678.32
Paraborn Systems LLP	-	-	-	77.85
Pertex Solution LLP	-	-	-	71.36
<b>Closing Balance as on 31<sup>st</sup> March 2023</b>	-	-	<b>2152.45</b>	<b>892.96</b>
<b>Payable as on 31<sup>st</sup> March 2023</b>				
Engineered Coated Fabric Pvt. Ltd.	-	-	63.78	72.82
Paraborn Systems LLP	-	-	0.44	903.85
<b>Closing Balance as on 31<sup>st</sup> March 2023</b>	-	-	<b>64.22</b>	<b>976.67</b>

#### **REMUNERATION TO KEY MANAGEMENT PERSONNEL DURING THE YEAR**

Details	"Rupees in Lacs"	
	2022-23	2021-22
Mr. Yogesh Kusumgar	59.00	61.87
Mr. Siddharth Kusumgar	145.14	117.70
Mr. Kiran Shah	36.00	36.00
Mr. Ankur Kothari	112.31	98.34
Mrs. Sapna Kusumgar	142.15	49.12
<b>TOTAL</b>	<b>494.60</b>	<b>363.03</b>



**31. EARNING PER SHARE IN ACCORDANCE WITH ACCOUNTING STANDARD - 20**

Details	"Rupees in Lacs"	
	2022-23	2021-22
Earnings (Net profit/(loss) for the year	3585.26	2245.92
No. of shares outstanding at the beginning of the year	1,99,000	1,99,000
No. of Equity shares issued during the year	NIL	NIL
No. of Equity shares at the end of the year	1,99,000	1,99,000
Weighted Average number of Equity shares Outstanding during the year	1,99,000	1,99,000
Nominal value per Equity share	100	100
Earnings Per Share	1801.64	1128.60

**32. DEFERRED TAX LIABILITY IS IN RESPECT OF**

Details	"Rupees in Lacs"	
	2022-23	2021-22
Deferred Tax Liability due to Depreciation	218.90	236.63
Deferred Tax Asset due to C/f Losses and Disallowances	5.22	17.73
Net Deferred Tax Liability	213.68	218.90

**33. CONTINGENT LIABILITIES**

Details	"Rupees in Lacs"	
	2022-23	2021-22
Guarantees given by banks on behalf of the company	372.70	170.95
Letter of credit accepted	181.65	43.45

**34. CAPITAL COMMITMENT**

Particulars	"Rupees in Lacs"	
	Expected Cost of Capital	
Plant & Machinery		6,428.78
<b>TOTAL</b>		<b>6,428.78</b>

**35. PAYMENTS TO AUDITORS (EXCLUDING OF TAXES)**

Details	"Rupees in Lacs"	
	2022-23	2021-22
Audit fees	5.00	5.00
Taxation matters, tax audits, other services	0.75	0.75
<b>TOTAL</b>	<b>5.75</b>	<b>5.75</b>

**36. C.I.F. VALUE OF IMPORTS:**

Details	UNITS	2022-23		2021-22	
		Quantity	Value	Quantity	Value
Yarn Import	Kgs	1320730.10	5975.11	12,25,755.10	4,174.80
Chemical	Kgs	356114.00	806.62	1,46,351.00	229.90
Capital Goods	Nos	3.00	247.64	15.00	324.23
Spares for Repairs		-	130.70	-	83.67
Fabric	SM	1958.00	3.74	-	-
Fabric	MT	474139.00	127.52	942.00	14.92
Fabric	Yard	165.00	1.23	35,759.00	26.00
<b>TOTAL</b>			<b>7292.54</b>		<b>4,853.52</b>

**37. EXPENDITURE IN FOREIGN CURRENCY.**

Particulars	"Rupees in Lacs"	
	2022-23	2021-22
Traveling expenses	247.63	110.72
Exhibition expenses – Foreign	112.21	12.43

**38. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, STORES & SPARES & COMPONENT CONSUMED.**

Particulars	2022-23		2021-22	
	Value (₹)	%	Value (₹)	%
Imported (including custom duty)	7421.31	43.24	6,313.50	58.45
Indigenous	9740.84	56.76	4,487.51	41.55
<b>TOTAL</b>	<b>17,162.15</b>	<b>100.00</b>	<b>10801.01</b>	<b>100.00</b>

**39. FOREIGN CURRENCY UNHEDGE AND HEDGE**

Particulars	Currency	2022-23		2021-22	
		Foreign Currency	Amount	Foreign Currency	Amount
Trade Payable Un hedged	USD	3,65,784.75	300.87	4,24,012.69	320.17
Trade Payable Un hedged	EURO	13,659.28	12.24	1,35,940.30	114.31
Trade Payable Un hedged	CHF	2,200.00	1.98	2,200.00	1.79
Trade Receivable Un hedged	USD	27,32,285.88	2,246.49	16,91,282.50	1,277.09
Capital Advance Hedged	USD	12,000.00	9.87	0.00	0.00
Capital Advance Hedged	EURO	14,560.50	13.05	0.00	0.00
Trade Receivable Un hedged	EURO	1,41,583.12	126.87	2,63,321.31	221.42
Trade Receivable Un hedged	JPY	34,35,010.00	33.95	0.00	0.00
FCNR Unhedged	USD	0.00	0.00	2,00,000.00	151.02
Trade Receivable Un hedged	CHF	0.00	0.00	3,034.21	2.47
Trade Receivable Un hedged	GBP	0.00	0.00	300.00	0.30
Trade Payable Un hedged	JPY	3,600.00	0.02	3,600.00	0.02
Trade Payable Un hedged	SGD	0.00	0.00	14,115.00	7.87

**40. EARNING IN FOREIGN EXCHANGE**

Particulars	"Rupees in Lacs"	
	2022-23	2021-22
F.O.B. Value of Exports	11300.61	7,388.23

**41. Subsequent event and impairment of subsidiary company**

During the year the Company had subscribed in the share capital of subsidiary company but due to some uncontrolled events the Management and promoters of the subsidiary company has been decided to closed the Company and the subsidiary company has initiated strike off process as on 22<sup>nd</sup> August 2023.

The Subsidiary Company has not done any business activity during the financial year.

Accordingly, the Management of the Company has decided to impairment the Investment and not to consolidate financial statement of the subsidiary Company.



42. Balance of trade payable, trade receivables and loans & advances are subject to confirmation and reconciliation.

#### 43. CORPORATE SOCIAL RESPONSIBILITY (CSR)

As required by section 135 of companies Act, 2013 and rules therein, a corporate social responsibility (CSR) has been formed by the company. The company has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the companies Act, 2013.

Particular	"Rupees in Lacs"	
	2022-23	2021-22
Amount required to be spent by the company during the year. (including previous year unspent CSR amount)	76.34	70.92
Amount of expenditure incurred	41.54	35.50
Total amount transferred to unspent CSR account	-	-
Total shortfall	34.80	35.42
Reason for above shortfalls	Shortfall amount has been deposited to separate bank account for CSR Activities.	The company has spent all amount in CSR activity within six months from the financial year.
Nature of CSR activities	Contribution towards educational, health & medical, etc.	Contribution towards educational, health & medical, etc.
Details of related party transactions, e.g., contribution to a trust-controlled NA by the company in relation to CSR expenditure as per Ind AS 24, Related Party Disclosures	-	-
Where a provision is made with respect to a liability incurred by entering in-to contractual obligation, the movements in the provision * during the year	-	-

\*\* Shortfall amount has been deposited to separate bank account for CSR Activities.

44. The quarterly returns or statements filed by the Company for working capital limits with such banks are in agreement with the books of account of the Company except for statements filed for quarters during the year ended 31st March, 2023, where except some minor differences due to valuation change in closing inventories were noted between the amount as per books of account for respective quarters and amount as reported in the quarterly statements.

#### 45. OTHER STATUTORY INFORMATION:

- The Company has not been declared as willful defaulter by any bank or financial institution or any other lender.
- The Company does not have any charges or satisfaction, which is yet to be registered with Registrar of Companies, beyond the statutory period prescribed under the Companies Act, 2013 and the rules made thereunder.
- The Company has not entered into any transaction which has not been recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company has not traded or invested in crypto currency or virtual currency during the year.
- The Company does not have any benami property and further, no proceedings have been initiated or are pending against the Company, in this regard.



- f) The Company has not entered in-to any transactions with struck off companies, as defined under the Companies Act, 2013 and rules made thereunder.
- g) The statements in respect of the working capital limits filed by the Company with such banks or financial institutions are in the agreement with the books of accounts of the Company for the respective periods
- h) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- i) The Company has not received any fund from any person(s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

#### 46. Ratios

Particulars	"Rupees in Lacs"		
	31-Mar-23	31-Mar-22	% change from 31 Mar 2022 to 31 Mar 2023
1. Current Ratio	2.88	2.59	11.26
2. Debt-Equity Ratio	31.49	26.94	16.91
3. Debt Service Coverage Ratio	8.77	4.44	97.72
4. Return on Equity (ROE)	24.42	19.09	27.93
5. Inventory Turnover Ratio	2.98	3.54	-15.91
6. Trade Receivables Turnover Ratio	5.50	5.07	8.46
7. Trade Payable Turnover Ratio	14.30	8.81	62.30
8. Net Capital Turnover Ratio	3.19	3.19	-0.03
9. Net Profit ratio	11.59	10.16	14.09
10. Return on Capital Employed	14.46	12.12	19.30
11. Return on Investment	6.74	2.77	143.20
1. Reasons for variance of more than 25% in above ratios			
Particulars	% change from 31 Mar 2022 to 31 Mar 2023		
Current Ratio			
Debt-Equity Ratio		NA	
Debt Service Coverage Ratio		NA	
Return on Equity (ROE)		NA	
Inventory Turnover Ratio		NA	
Trade Receivables Turnover Ratio		NA	
Trade Payable Turnover Ratio		NA	
Net Capital Turnover Ratio		NA	
Net Profit ratio		NA	
Return on Capital Employed		NA	
Return on Investment		NA	

2. Elements of Ratio						
Ratios	Numerator	Denominator	"Rupees in Lacs"			
			31-Mar-23		31-Mar-22	
			Numerator	Denominator	Numerator	Denominator
Current ratio	Current Assets	Current Liabilities	14,855.90	5,156.11	11,290.21	4,359.84
Debt- Equity Ratio	Total Debt	Shareholder's Equity	4,623.02	14,679.43	3,168.92	11,763.85
Debt Service Coverage ratio	Earnings available for debt service (before Interest, tax and exceptional item)	Debt Service (Interest expenses + Principal payment made for long term borrowing)	6,318.76	720.09	4,342.54	978.49
Return on Equity ratio	Net Profit after taxes less Preference Dividend (if any)	Average Shareholder's Equity	3,586.26	14,679.43	2,245.92	11,763.85
Inventory Turnover ratio	COGS (Cost of material consumed + Purchase+ Change in Inventory+ manufacturing exp)	Average Inventory	15,859.93	5,328.57	14,689.88	4,150.29
Trade Receivable Turnover Ratio	Net Credit Sales	Average Trade Receivable	30,937.78	5,624.98	22,110.76	4,360.26
Trade Payable Turnover Ratio	COGS (Cost of material consumed + Purchase+ Change in Inventory+ manufacturing exp)	Average Trade Payable	20,678.58	1,446.14	14,689.88	1,667.40
Net Capital Turnover Ratio	Net Sales	Working Capital	30,937.78	9,699.79	22,110.76	6,930.37
Net Profit ratio	Net Profit after tax	Net Sales	3,586.26	30,937.78	2,245.92	22,110.76
Return on Capital Employed	Net Profit after tax + Deferred tax expenses/Income+ finance cost- other income	Net Capital Employed	3,006.45	20,797.92	1,910.10	15,763.78
Return on Investment	Other income (excluding Dividend)	Average FDR	578.80	85.93	335.76	121.23

#### 47. REGROUPING

Previous year figures have been regrouped reclassified and rearranged wherever necessary to make them comparable with that of current year's figures.

As per our report of even date attached herewith

For and on behalf of the Board

For Chaturvedi Sohan & Co  
Chartered Accountants  
Firm Reg. No.: 118424W

Kusumgar Corporates Private Limited



CA Rajiv Chauhan  
Partner  
M. No. 143866

A handwritten signature in blue ink.

Yogesh K Kusumgar  
Director  
DIN: 01080769

A handwritten signature in blue ink.

Siddharth Kusumgar  
Director  
DIN: 01676799

Date: 7<sup>th</sup> September 2023  
Place: Mumbai

