

STATEMENT OF ACCOUNTS

FOR THE YEAR ENDED ON

31ST MARCH, 2022

OF

MAHALAXMI EXPORTS

PRIVATE LIMITED



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
MAHALAXMI EXPORTS PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **MAHALAXMI EXPORTS PRIVATE LIMITED** ("the Company"), which comprise of the Balance Sheet as at March 31, 2022 and the statement of profit and loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Key Audit Matters

Reporting of Key Audit Matters as per SA 701 are not applicable to the company as it is an unlisted company.

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 obtained at the date of this auditor's report is information included in the Directors' Report including the Annexures to the Directors' report, but does not include the Financial Statements and our auditor's report thereon.

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

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





Management's Responsibility for the Financial Statements

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

In preparing the Financial Statements, 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.

Those 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

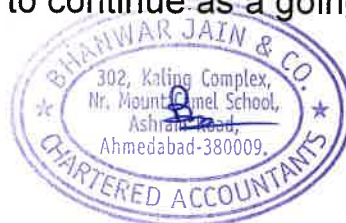




reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- i) 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.
- ii) Obtain an understanding of internal financial 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 in place and the operating effectiveness of such controls.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- iv) 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.





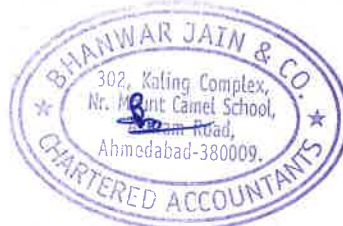
- v) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

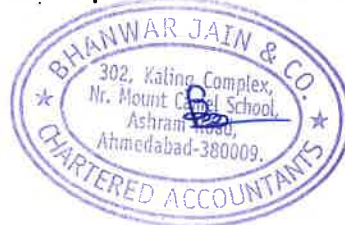
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of the section 143 of the Act, we give in the **Annexure "A"**, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books;
 - (c) The balance sheet, the Statement of profit and loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued there under
 - (e) On the basis of written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in the **Annexure-B**.





- (g) With respect to the matters to be included in the Auditor's Report in accordance with the requirements 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 / provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to 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:
- The company has disclosed the impact of pending litigations on its financial position in its Financial Statements .
 - The company has made provision, as required under the applicable law or IND AS, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2022.

For BHANWAR JAIN & CO.,
Chartered Accountants.
(Registration No. 117340W)

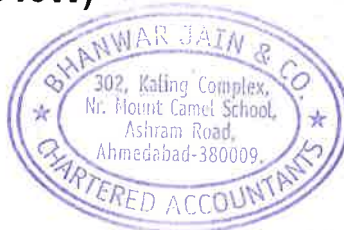
(B. M. JAIN)

Partner.

M. No. 034943

Ahmedabad: 30th May, 2022.

UDIN: 22034943AKSSYM7170



“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 2 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2022:

i. In respect of property, plant & equipment:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) All property, plant & equipment have been physically verified by the management during the year and there is a regular programme of verification which in our opinion is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. In respect of inventories:

- (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties



have been confirmed by them as at 31st March, 2022 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations. Discrepancies noticed on physical verification of inventory have been properly dealt with in the books of account.

- (b) As disclosed in note 13 to the financial statements, the Company has been sanctioned working capital limits in excess of five crore rupees in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

iii. In respect of investments, guarantee or security or loans and advances given

- (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. The balance outstanding as at balance sheet date in respect of the loans provided and guarantee given in earlier years is NIL.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has no subsidiary during the year. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.



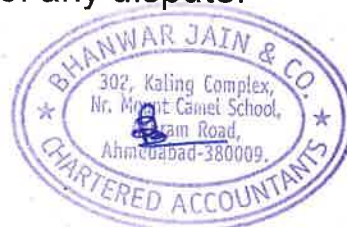
- (d) There are no amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
- (e) The Company has not granted loans or advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (f) There were no loans or advance in the nature of loan granted to companies, firms, limited liability partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (g) 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 to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans and advances given, investments made, guarantees, and securities given have been complied with by the company.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.



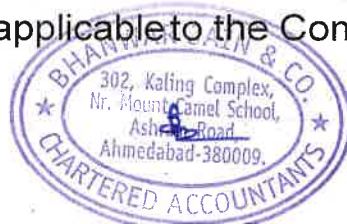
vi. According to the information and explanations given to us, the maintenance of cost records under section 148(1) of the Companies Act, 2013 is not applicable to the company during the year.

vii. In respect of statutory dues:

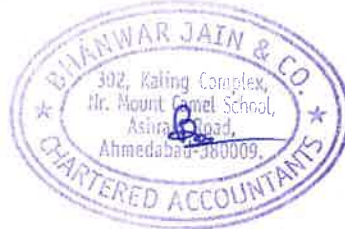
- (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues applicable to it. The provisions related to sales tax, service tax, duty of excise and value added taxes are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income- tax, duty of custom, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions related to sales tax, service tax, duty of excise and value added taxes are not applicable to the Company.
- (c) According to the records of the company, there was no dispute in respect of dues outstanding of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues.
- (d) According to the information and explanations given to us, there are no dues of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues which have not been deposited on account of any dispute.



- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. In respect of default in repayment of borrowings:
- (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - (c) Term loans were applied for the purpose for which the loans were obtained.
 - (d) On an overall examination of the financial statements of the Company, no funds raised on short term basis have been used for long-term purposes by the Company.
 - (e) 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, associates or joint ventures.
 - (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x. In respect of funds raised and utilization:
- (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.



- (b) The Company has not made any preferential allotment or private placement of shares during the year under audit in accordance with section 42 and 62 of the Companies Act, 2013.
- xi. In respect of frauds and whistle blower complaints:
- (a) No fraud/ material fraud by the Company or no fraud/ material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- xiii. Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. The internal audit is not applicable to the company during the year. The company has proper internal control system commensurate with the size and nature of its business.



- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. Registration with RBI, Act
- (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.



- xix. On the basis of the financial ratios disclosed in note 32(8) to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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. There is no obligation under Corporate Social Responsibility of the company during the year hence requirement to report on clause 3(xx) of the Order is not applicable to the Company.
- xxi. The company is not a holding company accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Company.

For BHANWAR JAIN & CO.,
Chartered Accountants
(Firm's Registration No. 117340W)



(B M Jain)
Partner

Membership No. 034943
AHMEDABAD: 30th May, 2022.

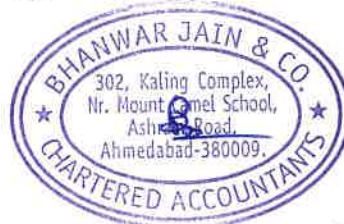


MAHALAXMI EXPORTS PVT. LTD.

BALANCE SHEET AS AT 31ST MARCH, 2022

	Notes	As at 31-Mar-22	As at 31-Mar-21
ASSETS			
Non-current assets			
Property, plant and equipment	1	25551181	19097823
Capital work-in-progress	2	0	1432130
Intangible assets		---	---
Financial assets		---	---
Investments		---	---
Loans		---	---
Other financial assets		---	---
Other non-current assets		---	---
Total non-current assets	3	505632	662039
		26056812	21191992
Current assets			
Inventories		40861894	---
Financial assets	4	---	---
Investments		---	---
Trade receivables		---	---
Cash and cash equivalents	5	69317991	---
Bank balances other than cash and cash equivalents	6	1862856	55382
Loans	7	102148	---
Other financial assets		---	---
Other current assets		---	---
Total current assets	8	25527360	76587
		137672249	131969
TOTAL ASSETS		163729061	21323960
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	30000000	1500000
Other equity	10	12698883	---
Total equity		42698883	1500000
Liabilities			
Non-current liabilities			
Financial liabilities			
Long Term Borrowings		13234547	19366716
Other financial liabilities	11	---	---
Provisions		---	---
Deferred Tax Liabilities (Net)	12	56000	---
Other non-current liabilities		---	---
non-current liabilities		13290547	19366716
Current liabilities			
Financial liabilities			
Short Term Borrowings	13	41126946	---
Trade payables	14	58543036	399720
Other financial liabilities	15	1446324	---
Other current liabilities	16	2952420	57524
Provisions		---	---
Current tax liabilities (net)	17	3670904	---
Total current liabilities		107739630	457244
TOTAL LIABILITIES		121030177	19823960
TOTAL EQUITIES AND LIABILITIES		163729061	21323960

OK



As per our report of even date

For BHANWAR JAIN & CO.

Chartered Accountants.

Firm Registration No. : 117340W

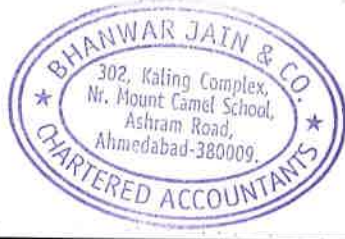


(B. M. JAIN)

Partner

Membership No. : 034943

AHMEDABAD: 30th May, 2022.



Jeetmal B. Parekh

Director.

(DIN NO. 00512415)



Anand J. Parekh

Director.

(DIN NO. 00500384)

AHMEDABAD: 30th May, 2022.

MAHALAXMI EXPORTS PVT. LTD.

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED ON 31ST MARCH, 2022

	Notes	For year ended on 31-Mar-22	For the year ended 31-Mar-21
Income			
Revenue from operations	18	166376365	---
Other income	19	3361815	---
Total income		169738180	---
Expenses			
Cost of material consumed and Trading Purchase	20	90611146	---
Changes in inventories of finished goods, stock-in-trade and work-in-progress	21	-2189473	---
Manufacturing & Operating Costs	22	51695868	---
Employee benefits expense	23	1456175	---
Finance costs	24	3157494	---
Depreciation	1	158203	---
Other expenses	25	7836892	---
Total expenses		152726305	---
Profit/(Loss) before tax		17011875	---
Income tax expense			
Current tax		4257000	---
Deferred tax		56000	---
Total income tax expense		4313000	---
Profit/(Loss) for the year		12698875	---
Other comprehensive income		---	---
Re-measurement gains/ (losses) on post employment defined benefit plan		---	---
Total other comprehensive income for the year		---	---
Earnings / (Loss) per share			
Basic earnings/(loss) per share (INR)		41.48	---
Diluted earnings/(loss) per share (INR)		41.48	---

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For BHANWAR JAIN & CO.

Chartered Accountants.

Firm Registration No. : 117340W

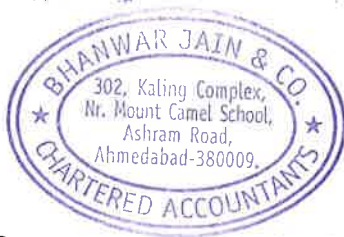
B. M. Jain

(B. M. JAIN)

Partner

Membership No. : 034943

AHMEDABAD: 30th May, 2022.



Jeetmal B. Parekh

Jeetmal B. Parekh

Director.

(DIN NO. 00512415)

Anand J. Parekh

Anand J. Parekh

Director.

(DIN NO. 00500384)

AHMEDABAD: 30th May, 2022.

MAHALAXMI EXPORTS PVT. LTD.
Statement of Cash Flows for Year ended on 31st March, 2022

	For the year 31-Mar-22	For the year 31-Mar-21
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and tax	1,70,11,883	---
Adjustments for:		
Depreciation and amortization expenses	158194	---
Interest Paid	2765805	---
Interest Received	---	---
Net exchange differences	-3361815	---
Deferred Revenue Expenses written off	156407	---
Operating Profit before working capital changes	16730475	0
Changes in working capital		
Adjustments for:		
Decrease in inventories	-40861894	---
Decrease in trade receivables	-65956176	---
Decrease in other current assets	-25450773	(54,420)
Decrease in non-current assets	---	(30,000)
Increase in trade payables	58143316	2,54,403
Increase in other current liabilities	2894896	57,524
Increase in non-current liabilities	---	---
Increase in other financial liabilities	1446324	---
Cash generated from operations	-53053832	227507
Net Income tax paid	-586096	
Net cash flows used in operating activities (A)	-53639928	227507
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment and intangible assets	-5179422	(2,05,30,000)
Proceeds from sale/ disposal of fixed assets	---	---
Net withdrawal of /Investment in fixed deposits	-102148	---
Interest Received	---	---
Net cash flow from investing activities (B)	-5281570	-20530000
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from long-term borrowings	-6132169	1,93,57,000
Increase in Share Capital	28500000	---
Proceeds from short-term borrowings	41126946	---
Interest paid	-2765805	---
Net cash flow from financing activities (C)	60728972	19357000
D. Net increase in cash and cash equivalents (A+B+C)	1807474	-945493
Cash and cash equivalents at the beginning of the year	55382	1000875
On current accounts		
Cash and cash equivalents at the end of the period	1862856	55382



Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **BHANWAR JAIN & CO.**

Chartered Accountants.

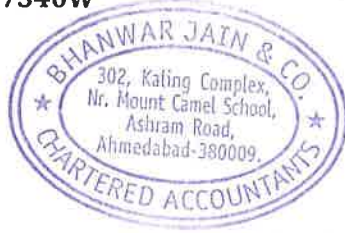
Firm Registration No. : 117340W



Jeetmal B. Parekh

Director.

(DIN NO. 00512415)



(B. M. JAIN)

Partner

Membership No. : 034943

AHMEDABAD: 30th May, 2022.



Anand J. Parekh

Director.

(DIN NO. 00500384)

AHMEDABAD: 30th May, 2022.

MAHALAXMI EXPORT PRIVATE LIMITED
 Statement of changes in equity for year ended on 31st March, 2022
 (Amount in INR Rupees, unless otherwise stated)

	Reserve and surplus				Items of OCI		Total
	Equity Share Capital	Securities Premium	General Reserve	Capital Reserve	Retained earnings	Equity Instruments through OCI	
Balance as at April 1, 2020	1500000	---	---	---	---	---	1500000
Profit for the year	---	---	---	---	---	---	---
Other comprehensive income	---	---	---	---	---	---	---
Re-measurement gains/ (Losses) on post employment defined benefit plans (Net of tax)	---	---	---	---	---	---	---
Fair Valuation of Investments measured at FVTOCI (Net of tax)	---	---	---	---	---	---	---
Add: Issue during the year	---	---	---	---	---	---	---
Add: Income tax of earlier years	---	---	---	---	---	---	---
Balance As at 31 Mar, 2021	1500000	---	---	---	---	---	1500000
Balance As at April 1, 2021	1500000	---	---	---	---	---	1500000
Profit for the year	---	---	---	---	12698883	---	12698883
Other comprehensive income	---	---	---	---	---	---	---
Re-measurement gains/ (Losses) on post employment defined benefit plans (Net of tax)	---	---	---	---	---	---	---
Fair Valuation of Investments measured at FVTOCI (Net of tax)	---	---	---	---	---	---	---
Add: Issue during the year	---	---	---	---	---	---	---
Less: Buyback during the year	---	---	---	---	---	---	---
Add: Income tax of earlier years	---	---	---	---	---	---	---
Add: Income tax on Buy Back of Shares	---	---	---	---	---	---	---
Balance As at 31 Mar, 2022	30000000	---	---	---	12698883	---	42698883



MAHALAXMI EXPORTS PRIVATE LIMITED

Notes Forming part of Financial Statements for year ended on 31st March, 2022

1 Property, Plant and Equipments

Carrying Amounts	Freehold Land	Plant & Machinery	Office Equipments	Total
<u>Year ended March 31, 2021</u>				
Gross carrying amount				
Balance as at April 1, 2020	19097823			19097823
Additions				
Disposals				
Classified as held for sale				
Gross carrying amount As at 31 Mar, 2021	19097823			19097823
<u>As at 31st March, 2022</u>				
Additions	1521565	5064987	25000	6611552
Disposals				
Classified as held for sale				
Other Adjustments				
Gross carrying amount As at 31 Mar, 2022	20619388	5064987	25000	25709375
<u>Accumulated Depreciation / Amortisation</u>				
Year ended March 31, 2021				
Balance as at April 1, 2020				
Depreciation For the Year				
Deductions / Adjustments				
Accumulated depreciation As at 31 Mar, 2021				
<u>As at 31st March, 2022</u>				
Depreciation For the Year		158194		158194
Deductions / Adjustments				
Accumulated depreciation As at 31 Mar, 2022		158194		158194
Net Carrying Amount				
As at 31 Mar, 2021	19097823			19097823
As at 31 Mar, 2022	20619388	4906793	25000	25551181



2 Capital Work-in-progress	As at March 31, 2022				
	Amount in Capital Work in Progress for a period of				
	Less than year	1- 2 years	2- 3 years	More than 3 years	Total
	Projects in progress				0
Projects temporarily suspended	---	---	---	---	0
	0	---	---	---	0

Capital Work-in-progress	As at March 31, 2021				
	Amount in Capital Work in Progress for a period of				
	Less than year	1- 2 years	2- 3 years	More than 3 years	Total
	Projects in progress	1432130			1432130
Projects temporarily suspended	---	---	---	---	---
	1432130	---	---	---	1432130

3	Other non-current assets	As at	As at
		31st Mar, 2022	31st Mar, 2021
	Non Financial Assets (Unsecured and considered good)		
	Capital Advance	---	30000
	Preliminary Expenses (To the Extent not written off)	505632	632039
	Total	505631.5	662039

Inventories	As at	As at
(As verified, valued & certified by management)	31st Mar, 2022	31st Mar, 2021
Raw Materials (including goods in transit)	38672421	---
Fents & Rags	527460	---
Stores, Spares, Packing & Stitching Material	1662013	---
	40861894	---

5	Trade Receivables	As at	As at
		31st Mar, 2022	31st Mar, 2021
	(a) Trade Receivables considered Good -Secured	---	---
	(b) Trade Receivables considered Good -Unsecured	69317991	---
	(c) Trade Receivables which have significant increase in credit risk	---	---
	(d) Trade Receivables credit impaired	---	---
	Less:- Provision for Doubtful Trade receivables	69317991	---
	Total Trade Receivables (Billed)	69317991	---
	Trade Receivable-Unbilled -Jobwork Accrued	---	---
		69317991	---

Particulars	Outstanding for following periods as at 31.03.2022					Total
	Less than 6 months year	6 months to 1Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	69317991	0	0	0	0	69317991
(ii) Undisputed Trade Receivables -- which have significant increase in credit risk	---	---	---	---	---	---
(iii) Undisputed Trade receivables -- Credit Impaired	---	---	---	---	---	---
(iv) Disputed Trade Receivables considered doubtful	---	---	---	---	---	---
(v) Disputed Trade Receivables -- which have significant increase in credit risk	---	---	---	---	---	---
(vi) Disputed Trade receivables -- Credit Impaired	---	---	---	---	---	---



Particulars	Outstanding for following periods as at 31.03.2021					Total
	Less than 6 months year	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	---	---	---	---	---	0
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	---	---	---	---	---	---
(iii) Undisputed Trade receivables – Credit Impaired	---	---	---	---	---	0
(iv) Disputed Trade Receivables considered doubtful	---	---	---	---	---	---
(v) Disputed Trade Receivables – which have significant increase in credit risk	---	---	---	---	---	---
(vi) Disputed Trade receivables – Credit Impaired	---	---	---	---	---	---

6	Cash and cash equivalents	As at 31st Mar, 2022	As at 31st Mar, 2021
	Balances with banks On current accounts	1773428	41682
	Cash on hand	89428	13700
	Total cash and cash equivalents	1862856	55382

7	Bank balances other than Cash and cash equivalent	As at 31st Mar, 2022	As at 31st Mar, 2021
	In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date	102148	---
		102148	---

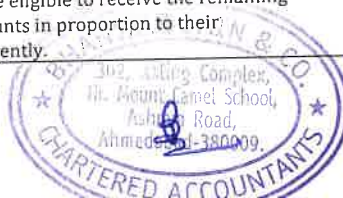
8	Other Current Assets	As at 31st Mar, 2022	As at 31st Mar, 2021
	Balance with Statutory Authorities	24499665	76587
	Prepaid Expenses	533025	---
	Deposits	125000	---
	Others	369670	---
		25527360	76587

9	Equity Share Capital	As at 31st Mar, 2022	As at 31st Mar, 2021
	Authorized 5000000 (5000000) Equity Shares of Rs. 10 each	50000000	50000000
		50000000	50000000
	Issued, subscribed and paid up 3000000 (150000) Equity Shares of Rs. 10 each	30000000	1500000
		30000000	1500000
	Total		

a. **Rights, preferences and restrictions attached to shares:**

Equity Shares:

The company has one class of equity shares having a par value of Rs.10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts in proportion to their shareholding. However, no such preferential amounts exist currently.



b. Reconciliation of the number of shares:				
Equity Shares	As at 31 Mar, 2022		As at 31 Mar, 2021	
	No. of shares	Amt. in Rs.	No. of shares	Amt. in Rs.
Opening Balance	150000	1500000	---	---
Addition during the year	2850000	28500000	150000	1500000
Closing Balance	3000000	30000000	150000	1500000

c. Details of shareholders' holding more than 5% of the aggregate shares in the company:				
Name	As at 31 Mar, 2022		As at 31 Mar, 2021	
	No. of shares	% of holding	No. of shares	% of holding
Mahalaxmi Rubtech Ltd	3000000	100%	150000	100%

d. Details of shares held by promoters at the end of the year				
Name	As at 31 Mar, 2022		As at 31 Mar, 2021	
	No. of shares	% of holding	No. of shares	% of holding
Mahalaxmi Rubtech Ltd	3000000	100%	150000	100%

10	Other Equity	As at 31st Mar, 2022	As at 31st Mar, 2021
	Retained Earnings		
	Opening balance	---	---
	Add: Net profit / (loss) for the year	12698883	---
	Closing balance	12698883	---

11	Long Term Borrowings	As at 31st Mar, 2022	As at 31st Mar, 2021
	Unsecured		
	From Directors	---	215117
	From Holding Company	13234547	19151599
	TOTAL	13234547	19366716

12	Deferred Tax Liabilities (Net)	As at 31st Mar, 2022	As at 31st Mar, 2021
	Deferred Tax Liability		
	Fixed Assets: Impact of difference between tax depreciation and depreciation charges to financial reporting.	56000	---
	Fair Valuation Gain on Investments	---	---
		56000	---
	Deferred Tax Asset:		
	Employees retirement benefits charged to statement of profit & loss but allowed for tax on payment basis.	---	---
	Remeasurements of defined benefit plans	---	---
	Deferred Tax Liabilities (Net)	56000	---



13	Short Term Borrowing	As at 31st Mar, 2022	As at 31st Mar, 2021
	Secured Loan repayable on Demand (a) From Banks Packing credit cum Foreign Bill Purchase facility	41126946	399720
		41126946	399720

Notes

- Above credit facilities are secured by way of hypothecation of stock, book debts, plant & machineries & other movables of the company. Further secured by corporate guarantee and extension of equitable mortgage of properties of holding company. Further secured by personal guarantee of all the Directors of the company.
- Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

14	Trade Payables	As at 31st Mar, 2022	As at 31st Mar, 2021
	Trade Payables Payable to related parties Payable to Others	18816924 39726112	--- 399720
		58543036	399720
	Particulars	Outstanding for following periods as at 31.03.2022	
		Less than 1 year	1 to 2 years
	(i) Trade Payables-Undisputed -MSE	4381464	---
	(ii) Trade Payables-Undisputed- Others	54161572	---
	(iii) Trade Payables- Disputed-MSE	---	---
	(iv) Trade Payables-Disputed -Others	---	---
	Particulars	Outstanding for following periods as at 31.03.2021	
		Less than 1 year	1 to 2 years
	(i) Trade Payables-Undisputed -MSE	---	---
	(ii) Trade Payables-Undisputed- Others	399720	---
	(iii) Trade Payables- Disputed-MSE	---	---
	(iv) Trade Payables-Disputed -Others	---	---

15	Other financial liabilities	As at 31st Mar, 2022	As at 31st Mar, 2021
	Outstanding Expenses	1446324	---
		1446324	---

16	Other current liabilities	As at 31st Mar, 2022	As at 31st Mar, 2021
	Advances from Customers Statutory Duties & Taxes	2330192 622228	--- 57524
		2952420	57524

17	Current tax liabilities (net)	As at 31st Mar, 2022	As at 31st Mar, 2021
	Opening Balance Add: Current Tax payable for the year Less: Taxes paid (including TDS and MAT Credit)	4257000 586096	--- ---
		3670904	---

MAHALAXMI EXPORTS PRIVATE LIMITED

18	Revenue from operations	As at 31st Mar, 2022	As at 31st Mar, 2021
	Sale of products and services	152176033	---
	Other Operating revenue Export Entitlement Benefits	14200332	---
	Total revenue from operations	166376365	---

19	Other income	As at 31st Mar, 2022	As at 31st Mar, 2021
	Exchange Rate Fluctuation	3361815	---
		3361815	---



26	The details of payment to auditors for the year ended is set out below: Audit fee	As at	As at
		31st Mar, 2022	31st Mar, 2021
		50000	5000
27	Related Party Transactions: As per Accounting Standard 18, Related Party Disclosure is as under: (a) List of Related Parties with whom transactions have taken place during the year and relationship:		
	Name of the Related Party Mahalaxmi Rubtech Limited Anand Chem Industries Pvt. Ltd. Jeetmal Parekh Rahul J Parekh Anand J Parekh Rajendra R Mehta Mahalaxmi Exports	Relationship Holding Company Associate Key Managerial Personnel Key Managerial Personnel Key Managerial Personnel Key Managerial Personnel Associate	

(b) Transactions during the year with Related Parties for FY 2021-22				
Nature of Transaction	Key Managerial Personnel	Associate	Holding Co.	Relative of KMP
Rent paid				
Anand Chem Industries Pvt. Ltd.	---	160000	---	---
Mahalaxmi Rubtech Limited	---	---	180000	---
	---	160000	---	---
Sales				
Mahalaxmi Exports	---	6437454	---	---
Mahalaxmi Rubtech Limited	---	---	473694	---
	---	6437454	473694	---
Purchase				
Mahalaxmi Exports	---	24307144	---	---
Mahalaxmi Rubtech Limited	---	1790432	---	---
	---	26097576	---	---
Job Charge Received				
Mahalaxmi Rubtech Limited	---	---	982586	---
Mahalaxmi Exports	---	1302008	---	---
	---	1302008	982586	0
Job Charge paid				
Mahalaxmi Rubtech Limited	---	29293562	---	---
	0	29293562	0	0
Loans Taken				
Mahalaxmi Rubtech Limited	---	---	66650000	---
	0	0	66650000	0
Loans Repaid				
Mahalaxmi Rubtech Limited	---	---	75000000	---
Jeetmal B. Parekh	215117	---	---	---
	215117	---	75000000	---
Interest Paid				
Mahalaxmi Rubtech Limited	---	---	2703275	---
Jeetmal B. Parekh	14861	---	---	---
	14861	0	2703275	0
Outstandings				
Loans Payable				
Mahalaxmi Rubtech Limited	---	---	13234547	---
	0	0	13234547	0
Outstandings Payable				
Mahalaxmi Rubtech Limited	---	---	12789977	---
Mahalaxmi Exports	---	18681314	---	---
Anand Chem Industries Pvt. Ltd.	---	135610	---	---
	0	18816924	12789977	0

(b) Transactions during the year with Related Parties for FY 2020-21				
Nature of Transaction	Key Managerial Personnel	Associate	Holding Co.	Relative of KMP
Rent paid				
Anand Chem Industries Pvt. Ltd.	---	60000	---	---
Mahalaxmi Rubtech Limited	---	---	60000	---
	0	60000	60000	0
Loans Taken				
Mahalaxmi Rubtech Limited	---	---	18447250	---
Jeetmal B. Parekh	200000	---	---	---
	200000	---	18447250	---
Interest Paid				
Mahalaxmi Rubtech Limited	---	---	761458	---
Jeetmal B. Parekh	5532	---	---	---
	5532	---	761458	---
Outstandings				
Loans Payable				
Mahalaxmi Rubtech Limited	---	---	19151599	---
Jeetmal B. Parekh	215117	---	---	---
	215117	---	19151599	---

Notes

Guarantees given :

Guarantees provided by the holding company to the lenders of the company are for availing working capital facilities.



20	Cost of raw material consumed	As at 31st Mar, 2022	As at 31st Mar, 2021
	Raw Material Consumed:		
	Opening Stock	---	---
	Add: Purchases	129283567	---
		129283567	---
	Less: Closing Stock	38672421	---
		90611146	---

21	Changes in inventories of finished goods, work-in-progress and Scrap	As at 31st Mar, 2022	As at 31st Mar, 2021
	Inventories at the beginning of the year		
	Finished Goods	---	---
	Semi Finished Goods	---	---
	Fents & Rags	---	---
	Less: Inventories at the end of the year		
	Finished Goods	1662013	---
	Semi Finished Goods	---	---
	Fents & Rags	527460	---
		2189473	---
	Net decrease/ (increase)	-2189473	---

22	Manufacturing & Operating Cost	As at 31st Mar, 2022	As at 31st Mar, 2021
	Stores, Spares & Maintenance Expenses	366750	---
	Job Charges	38265823	---
	Design Materials	42970	---
	Power & Fuel	171259	---
	Laboratory Expenses	314049	---
	Freight, Clearing & Forwarding Expenses	2179558	---
	Stitching Materials Purchase & Expenses	1372386	---
	Packing Materials Expenses	8983073	---
		51695868	---

23	Employee benefits expense	As at 31st Mar, 2022	As at 31st Mar, 2021
	Salary & Wages	1207058	---
	Contribution to Provident Fund and ESI	245576	---
	Employees' Welfare Expenses	3541	---
		1456175	---

24	Finance costs	As at 31st Mar, 2022	As at 31st Mar, 2021
	Interest (Net)	2765805	---
	Bank Commission & Charges	391689	---
		3157494	---

25	Other expenses	As at 31st Mar, 2022	As at 31st Mar, 2021
	E.C.G.C. Premium	363038	---
	General Expenses	1263	---
	Insurance Premium	51522	---
	Audit Fees	50000	---
	Legal & Consulting Expenses	540794	---
	Postage & Courier Expenses	15456	---
	Rent, Rates and Taxes	76250	---
	Miscellaneous Expenses	13470	---
	Export Freight	553398	---
	Commission Expenses	6015980	---
	Printing & Stationery Expenses	18366	---
	Vatav Kasar	17	---
	Preliminary Exn. Written off	126407	---
	Professional Tax	6000	---
	Repair & Maintenance	631	---
	Food & Beverages Expense	4300	---
		7836892	---



28 (a) Financial Instruments by Category

(a) The carrying values and fair values of financial instruments at the end of each reporting periods is as follows:
As at 31 Mar, 2022

Particulars	As at 31 Mar, 2022		As at 31 Mar, 2021	
	At FVTOCI	Amortised Cost	At FVTOCI	Amortised Cost
Assets:				
Investments (Non Current)	0		0	
Other Financial Non-current assets		505632		662039
Trade Receivables				
Cash & Cash Equivalents		1862856		55382
Other Bank Balance				
Loan				
Other Financial current assets				
Total		2368488		717420
Liabilities:				
Borrowings		13234547		19366716
Borrowings (Current)		41126946		---
Trade Payables		58543036		399720
Other Financial Liabilities (Current)				
Total		71777583		19766436

(b) Fair Value Measurement

(i) Fair Value hierarchy

- Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2- Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e.as prices) or indirectly (i.e. derived from prices)
- Level 3- Input for the assets or liabilities that are not based on observable market data (observable inputs)

(ii) The following table presents fair value hierarchy of assets and liabilities measured at fair value: As at 31 Mar, 2022

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Long terms Investments				
As at 31 Mar, 2022				
Fair values through OCI	---	---	---	---
As at 31 Mar, 2021				
Fair values through OCI	---	---	---	---

29 Calculation of Earning per Share

Earning per Share

Net Profit after Tax

Nominal Value of equity share

Weighted average number of equity shares

- for Basic EPS

- for Diluted EPS

Basic EPS

Diluted EPS

Rs.
Rs.
Nos.
Rs.
Rs.

	AS AT	
	31-Mar-22	31-Mar-21
Net Profit after Tax	12698883	---
Nominal Value of equity share	10	10
Weighted average number of equity shares		
- for Basic EPS	306164	150000
- for Diluted EPS	150000	50000
Basic EPS	41.48	0.00
Diluted EPS	41.48	0.00

30 Derivatives Instruments:

(a)

Currency

USD

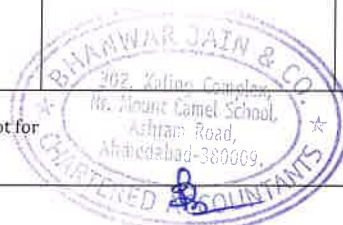
Derivatives outstanding as at the Balance Sheet Date:

Exposure to Buy / Sell	No. of Contracts	As at the year ended	
		Rs. Lacs	Foreign Currency
SELL	21	863.02	USD 1125000

(b) Foreign currency exposure at the year end not hedged by derivative instruments:

Particulars	As at 31/03/2022	As at 31/03/2021
Payable against import of goods & services		
Rupees in Lakhs		
US Dollar	23	---
GBP	30746	---
CHF	---	---
Euro	---	---
Advance payment to suppliers and for expenses		
Rupees in Lacs		
Euro	---	---
US Dollar	---	---
Receivable against export of goods and services		
Rupees in Lacs		
US Dollar	686	---
Euro	469173.82	---
	391183.30	---

The Company entered in to derivative contracts strictly for hedging purposes only and not for trading or speculation purposes.



31 Financial Risk Management

The principal financial assets of the Company include loans, trade and other receivables, and cash and bank balances that derive directly from its operations. The principal financial liabilities of the company, include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and that advises on financial risks and the appropriate financial risk governance framework for the Company.

This note explains the risks which the company is exposed to and policies and framework adopted by the company to manage these risks:

Market Risk Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency risk, interest rate risk, investment risk.

(i) Foreign currency risk The company operates internationally and business is transacted in several currencies.

The export sales of company comprise around 94% of the total sales of the company, Further the company also imports certain assets and material from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in the future. Consequently the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. **Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than company's functional currency.**

The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by appropriately hedging the transactions. The Company uses a derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

The following table summarizes the company's exposure foreign currency risk from financial instruments at the end of each reporting period:

Particulars	Foreign Currency	
	As At 31st March 2022	As At 31st March 2021
a) Exposure on account of Financial Assets		
Trade receivables (net of bill discounted) (A)		
In USD	469173.82	---
In Euro	391183.30	---
Amount hedged through forwards & options # (B)		
In USD	145753.86	---
In Euro	391183.30	---
Net Exposure to Foreign Currency Assets (C=A-B)		
In USD	323419.96	---
In Euro	0.00	---
b) Exposure on account of Financial Liabilities		
Trade Payables (D)		
In USD	30746.39	---
In Euro	---	---
In CHF	---	---
Amount Hedged through forwards & options # (E)		
In USD	---	---
In Euro	---	---
In CHF	---	---
Net Exposure to Foreign Currency Liabilities F=(D-E)		
In USD	30746.390	---
In Euro	---	---
In CHF	---	---
Net Exposure to Foreign Currency Assets/(Liability) (C-F)		
In USD	292673.57	---
In Euro	---	---
In CHF	---	---



Foreign Currency Risk Sensitivity

The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives on account of reasonably possible change in USD and Euro exchange rates (with all other variables held constant) will be as under:

Net Impact on Profit before Tax		
Particulars	As at	As at
	31/03/2022	31/03/2021
USD sensitivity		
INR/USD -Increase by 5%	1109196.25	---
INR/USD -Decrease by 5%	-1109196.25	---
EURO sensitivity		
INR/EURO -Increase by 5%	---	---
INR/EURO -Decrease by 5%	---	---
CHF sensitivity		
INR/CHF -Increase by 5%	---	---
INR/CHF -Decrease by 5%	---	---

32 Additional Regulatory Information

- 1 The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- 2 The Company do not have any transactions with companies struck off
- 3 The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- 4 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year
- 5 The Company have 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:
 - (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- 6 The Company have 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
 - (a) 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
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- 7 The Company have not any such transaction which is not recorded in the books of accounts 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 provision of the Income tax Act,1961)



8 Ratios (Continuing operations)

Sr No	Particular	Numerator	Denominator	March 31, 2022	March 31, 2021	% of Variance**	Reason for Variance of more than 25%**
1	Current Ratio	Current Asset	Current Liabilities	1.28	---	---	---
2	Debt-Equity Ratio	Long term Debt	Shareholders Equity	0.31	---	---	---
3	Debt Service Coverage Ratio,	Earnings for debt service = Net profit after taxes + Non cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	NA	---	---	---
4	Return on Equity Ratio	Net Profits after taxes - Preference Dividend (if any)	Shareholder's Equity	29.74	---	---	---
5	Inventory turnover ratio*	Cost of goods sold	Average Inventory	64.00	---	---	---
6	Trade Receivables turnover ratio*	Net credit sales = Gross credit sales - sales return	Avg. Accounts Receivable	2.20	---	---	---
7	Trade payables turnover ratio*	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	3.23	---	---	---
8	Net capital turnover ratio,	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	5.08	---	---	---



9	Net profit ratio,	Net Profit	Net sales = Total sales - sales return	8.34	---	---
10	Return on Capital employed,	Earning before interest and taxes	Capital Employed = Total Equity+Long term Debt	35.36	---	---
11	Operating profit Margin (%)	Earning before interest and taxes	Revenue from operations	13.00	---	---
12	Return on Net Worth (%)	Total comprehensive income for the year, net of tax	Net worth= Total Equ	29.74	---	---

Notes

- * There was no business operation in previous year. Thus, Ratios have been calculated on the basis of current year's figures only.
 ** There was no business operation in previous year. Thus Ratios for the previous year and % of variance and reasons of Variance are not applicable

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1 General Information

Mahalaxmi Exports Private Limited (the "Company") is a private limited company domiciled in India and was incorporated on 5th November, 2019 under the provisions of the Companies Act, 2013 applicable in India. Its registered office is located at YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawdi, Ahmedabad. The Company is primarily engaged in the business of manufacturing and trading of textiles products.

2 Significant accounting policies

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.



(b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except certain financial assets and liabilities measured at fair value.

(c) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are taken as prescribed useful lives under Schedule II to the Companies Act, 2013. The management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.



2.3 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

2.4 Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

2.5 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.



2.6 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

2.7 Financial Instruments.

Fair value measurement

The Company has valued financial assets and Financial Liabilities, at fair value. Impact of fair value changes as on date of transition, is recognised in opening reserves and changes there after are recognised in Statement of Profit and Loss Account or Other Comprehensive Income, as the case may be.

Financial Assets

The company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income or through Profit or loss) and those to be measured at amortised cost.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.



All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly

2.8 Revenue Recognition

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.

In respect of above, the amounts received in advance are reflected in the Balance sheet under "Other Current and Non-current Liabilities" as "Advance from Customers".

Sale of products:

Revenue from sale of products is recognised when significant risks and rewards in respect of ownership of products are transferred to customers based on the terms of sale. Revenue from sales is based on the price specified in the sales contracts, net of all discounts, re-trund and goods and service tax at the time of sale.

2.9 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities in accordance with the relevant prevailing tax laws. Tax expenses relating to the items in profit & loss account shall be treated as current tax as part of profit and loss and those relating to items in other comprehensive income shall be recognised as part of OCI.



(b) Deferred tax

Deferred income tax is recognised for all the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

At each balance sheet, the company re-assesses unrecognised deferred tax assets, if any, and the same is recognised to the extent it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.10 Assets classified as held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

2.11 Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as a lessee are shown as other non current assets . Payments made under operating leases (net of any incentives received from the lesser) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease .

2.12 Inventories

Inventories are valued at the lower of cost and net realisable value.



2.13 Impairment of assets

The carrying value of assets / cash generating units at the Balance Sheet date are reviewed for impairment, if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised for such excess amount.

2.14 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.15 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.



2.16 Financial instruments

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

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

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

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

(iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. the impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.



(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized .

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

2.17 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled.



(b) Other long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

2.18 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year, if any. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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



2.19 Research & Development

Expenditure on research and development is recognised as an expense when it is incurred. Expenditure which results in increase in property, plant and equipment are capitalised and depreciated in accordance with the policies stated for property, plant & equipment.

2.20 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all the attached conditions. All government grants are initially recognised by way of setting up as deferred income. Government grants relating to income are recognised in the profit & loss account. Government grants relating to purchase of property, plant & equipment are subsequently recognised in profit & loss on a systematic basis over the expected life of the related depreciable assets. Grants recognised in Profit & Loss as above are presented within other income.

2.21 Inter divisional transactions

Inter divisional transactions are eliminated as contra items. Any unrealised profits on unsold stocks on account of inter divisional transactions is eliminated while valuing the inventory.



2.22 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Taxes

Significant assumptions and judgements are involved in determining the provision for tax based on tax enactments, relevant judicial pronouncements including an estimation of the likely outcome of any open tax assessments/litigations. Deferred income tax assets are recognised to the extent that it is probable that future taxable income will be available, based on estimates thereof.

(b) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.



Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **BHANWAR JAIN & CO.**

Chartered Accountants.

Firm Registration No. : 117340W



Jeetmal B. Parekh
Director.
(DIN NO. 00512415)



Anand J. Parekh
Director.
(DIN NO. 00500384)

(B. M. JAIN)

Partner

Membership No. : 034943

AHMEDABAD: 30th May, 2022.

AHMEDABAD: 30th May, 2022.