



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
MAHALAXMI FABRICS MILLS PRIVATE LIMITED
(Formerly known as (Sonnet Colours Private Limited))

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **MAHALAXMI FABRICS MILLS PRIVATE LIMITED** (Formerly Known as Sonnet Colours Private Limited), which comprise the Balance Sheet as at March 31, 2023 and the statement of profit and loss for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit 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

- i) 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.
- ii) Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon,
- iii) 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.
- iv) 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 and financial performance of the Company in accordance with the accounting principles generally accepted in India including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 scepticism 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 auditors' 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 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 and the Statement of profit and loss dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rules issued there under.
 - (e) On the basis of written representations received from the directors as on March 31, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of section 164(2) of the Act.





- (f) Since the Company's turnover as per last audited financial statements and its borrowings from banks and financial institutions at any time during the year is less than the specified limits, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls; and
- (g) 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:
- i. the company did not have any pending litigations which have impact on its financial position .
 - ii. the company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company, to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or:
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - b. The management has represented, that, to the best of its knowledge and belief, to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), 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 ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or





- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries
- c. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause g(iv) (a) & (b) contain any material mis-statement.
2. This report does not include a statement on the matters specified in the paragraph 3 and 4 of the said 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. Since in our opinion and according to the information and explanations given to us the said Order is not applicable to the Company.

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



(B. M. JAIN)

Partner.

M. No. 034943

Ahmedabad: 29th May, 2023.

UDIN: 23034943B6XUVT7145

MAHALAXMI FABRICS MILLS PRIVATE LIMITED

(FORMERLY KNOWN AS SONNET COLOURS PVT. LTD)

BALANCE SHEET AS AT MARCH 31, 2023

(Amount in Lakhs Unless Otherwise stated)

| PARTICULARS | NOTE NO. | AS AT | |
|--------------------------------|-------------|--------------|--------------|
| | | 31/03/2023 | 31/03/2022 |
| | | ₹ | ₹ |
| EQUITY AND LIABILITIES | | | |
| Shareholder's Funds | | | |
| Share Capital | 1 | 5.00 | 5.00 |
| Reserves & Surplus | 2 | 68.98 | 11.80 |
| Non-Current Liabilities | | | |
| Long Term Borrowings | 3 | 0.30 | 0.20 |
| Current Liabilities | | | |
| Trade Payables | 4 | 0.26 | 0.05 |
| Other Current Liabilities | 5 | 0.34 | 0.05 |
| Short Term Provisions | | | |
| Provision for Current Tax | | 16.99 | 1.18 |
| TOTAL | | 91.87 | 18.28 |
| ASSETS | | | |
| Non-current assets | | | |
| Non Current investment | 6 | 8.87 | 11.26 |
| Current assets | | | |
| Cash & Bank Balances | 7 | 75.35 | 0.19 |
| Loans and advances | 8 | 7.65 | 6.83 |
| TOTAL | | 91.87 | 18.28 |

NOTES FORMING AN INTEGRAL PART OF STATEMENT OF ACCOUNTS

As per our report of even date.

For BIANWAR JAIN & CO.

Chartered Accountants.

Firm Registration No. : 117340W

For and on behalf of Board of Directors of Mahalaxmi Fabric Mills Private Limited.

Rahul J Parekh
Director.

(DIN 00500328)

(Anand J. Parekh)
Director.

DIN 00500384

AHMEDABAD

DATE: 29/05/2023.

(B. M. JAIN)

Partner

Membership No. : 034943

AHMEDABAD

DATE: 29/05/2023.



MAHALAXMI FABRICS MILLS PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2023

(Amount in Lakhs Unless Otherwise stated)

| PARTICULARS | NOTE NO. | YEAR ENDED | |
|-------------------------------------|-------------|--------------|-------------|
| | | 31/03/2023 | 31/03/2022 |
| | | ₹ | ₹ |
| INCOME: | | | |
| Dividend Income | | --- | --- |
| Interest | | 1.61 | 0.18 |
| Profit on shares | | 72.22 | 7.66 |
| Vatav and Kasar | | --- | --- |
| Total Revenue | | 73.83 | 7.84 |
| EXPENSES: | | | |
| Rent, Rates & Taxes | | 0.28 | 0.14 |
| Audit Fees | | 0.15 | 0.05 |
| Legal Fees | | 0.36 | 0.01 |
| Printing & Stationary | | 0.01 | --- |
| Demat Expenses | | 0.03 | 0.05 |
| Bank Charges | | 0.01 | 0.01 |
| Total Expenses | | 0.83 | 0.26 |
| Profit Before Tax | | 72.99 | 7.58 |
| Tax Expense: | | | |
| Current Tax | | 16.99 | 1.18 |
| Profit/(Loss) for the period | | 56.00 | 6.40 |
| Earning per equity share: | | | |
| Basic | | 1120.08 | 127.97 |
| Diluted | | 1120.08 | 127.97 |

NOTES FORMING AN INTEGRAL PART OF STATEMENT OF ACCOUNTS

As per our report of even date.

For **BHANWAR JAIN & CO.**

Chartered Accountants.

Firm Registration No. : 117340W

For and on behalf of Board of Directors of Mahalaxmi Fabric Mills Private Limited.



Rahul J Parekh

Director.

(DIN 00500328)







(Anand J. Parekh)

Director.

DIN 00500384

AHMEDABAD

DATE: 29/05/2023.

(B. M. JAIN)

Partner

Membership No. : 034943

AHMEDABAD

DATE: 29/05/2023.

NOTES ON STATEMENT OF ACCOUNTS

NOTE 1 SHARE CAPITAL

(Amount in Lakhs Unless Otherwise stated)

| PARTICULARS | AS AT | |
|---|--------------|--------------|
| | 31/03/2023 | 31/03/2022 |
| | ₹ | ₹ |
| AUTHORISED: 12000(12000) Equity Shares of Rs. 100 each | 12.00 | 12.00 |
| 3000 (3000) 9% Redeemable Preference Shares of Rs.100 each | 3.00 | 3.00 |
| TOTAL | 15.00 | 15.00 |
| ISSUED, SUBSCRIBED & FULLY PAID UP: 5000(5000) Equity Shares of Rs.100 each fully paid | 5.00 | 5.00 |
| TOTAL | 5.00 | 5.00 |

a. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. The reconciliation of the number of shares outstanding and the amount of share capital.

(Amount in Rs)

| Particulars | AS AT 31-03-23 | | AS AT 31-03-22 | |
|--------------------------------------|----------------|-----------|----------------|-----------|
| | No. of shares | Amt. in ₹ | No. of shares | Amt. in ₹ |
| Outstanding at beginning of year | 5000 | 500000 | 5000 | 500000 |
| Add/Less: Adjustment during the year | ---- | ---- | ---- | ---- |
| Outstanding at the year end | 5000 | 500000 | 5000 | 500000 |

c. The details of shareholders holding more than 5% of shares in the company.

| Particulars | AS AT 31-03-23 | | AS AT 31-03-22 | |
|------------------------------|----------------|--------------|----------------|--------------|
| | No. of shares | % of Holding | No. of shares | % of Holding |
| Jeetmal B.Parekh | 490 | 9.8 | 490 | 9.8 |
| Anand J Parekh | 450 | 9.0 | 450 | 9.0 |
| Rahul J Parekh | 450 | 9.0 | 450 | 9.0 |
| Kamlaben J Parekh | 450 | 9.0 | 450 | 9.0 |
| Mamta A Surana | 440 | 8.8 | 440 | 8.8 |
| Ratna R.Parekh | 450 | 9.0 | 450 | 9.0 |
| Amita A.Parekh | 460 | 9.2 | 460 | 9.2 |
| Heena Agariculture Pvt Ltd | 430 | 8.6 | 430 | 8.6 |
| Anand Chem Industrie Pvt Ltd | 440 | 8.8 | 440 | 8.8 |
| Rainbow Exports Pvt. Ltd. | 500 | 10.0 | 500 | 10.0 |
| Mahalaxmi Calchem Pvt Ltd | 440 | 8.8 | 440 | 8.8 |

d. Details of Shareholding of Promoters at the end of the year as follows :

| S. No | Name of Promoter | Shares held by promoters at the end of the year | | Equity Shares held by promoters at the end of March 31,2023 | | Equity Shares held by promoters at the end of March 31, 2022 | | % Change during the year |
|-------|------------------------------|---|--------------------------|---|--------------------------|--|--------------------------|--------------------------|
| | | No. of Equity Shares | % of total Equity Shares | No. of Equity Shares | % of total Equity Shares | No. of Equity Shares | % of total Equity Shares | |
| 1 | Jeetmal B.Parekh | 490 | 9.8 | 490 | 9.8 | 490 | 9.8 | --- |
| 2 | Anand J Parekh | 450 | 9.0 | 450 | 9.0 | 450 | 9.0 | --- |
| 3 | Rahul J Parekh | 450 | 9.0 | 450 | 9.0 | 450 | 9.0 | --- |
| 4 | Kamlaben J Parekh | 450 | 9.0 | 450 | 9.0 | 450 | 9.0 | --- |
| 5 | Mamta A Surana | 440 | 8.8 | 440 | 8.8 | 440 | 8.8 | --- |
| 6 | Ratna R.Parekh | 450 | 9.0 | 450 | 9.0 | 450 | 9.0 | --- |
| 7 | Amita A.Parekh | 460 | 9.2 | 460 | 9.2 | 460 | 9.2 | --- |
| 8 | Heena Agariculture Pvt Ltd | 430 | 8.6 | 430 | 8.6 | 430 | 8.6 | --- |
| 9 | Anand Chem Industrie Pvt Ltd | 440 | 8.8 | 440 | 8.8 | 440 | 8.8 | --- |
| 10 | Rainbow Exports Pvt. Ltd. | 500 | 10.0 | 500 | 10.0 | 500 | 10.0 | --- |
| 11 | Mahalaxmi Calchem Pvt Ltd | 440 | 8.8 | 440 | 8.8 | 440 | 8.8 | --- |

e. The movement of Equity shares during 5 years preceding to year ended March 31, 2023

- No. of Equity shares allotted as fully paid up without payment being received in cash
- No. of Equity shares issued as bonus shares
- No. of Equity shares extinguished on buy back

| | 2022-23 | 2021-22 |
|---|---------|---------|
| 1 | Nil | Nil |
| 2 | Nil | Nil |
| 3 | Nil | Nil |



(Amount in Lakhs Unless Otherwise stated)

NOTE 2 RESERVES & SURPLUS

| PARTICULARS | AS AT | |
|----------------------------------|--------------|--------------|
| | 31/03/2023 | 31/03/2022 |
| | ₹ | ₹ |
| Surplus | | |
| Opening balance | 11.86 | 5.47 |
| Add: Addition during the year | 56.00 | 6.40 |
| Add: Income tax of Earlier years | 1.09 | -0.09 |
| Add: MAT Credit of Earlier years | 0.03 | 0.03 |
| TOTAL | 68.98 | 11.80 |

(Amount in Lakhs Unless Otherwise stated)

NOTE 3 LONG TERM BORROWING

| Particulars | AS AT | AS AT |
|---|-------------|-------------|
| | 31/03/2023 | 31/03/2022 |
| | ₹ | ₹ |
| Loans and advances from related parties: | | |
| Unsecured | | |
| From Directors | 0.30 | 0.20 |
| From Relatives | --- | --- |
| TOTAL | 0.30 | 0.20 |

(Amount in Lakhs Unless Otherwise stated)

| 4 Trade Payables | AS AT | AS AT |
|---|-------------|-------------|
| | 31/03/2023 | 31/03/2022 |
| | ₹ | ₹ |
| Trade Payables | | |
| Payable to related parties (Refer Note No.43) | --- | --- |
| Payable to Others | 0.09 | 0.05 |
| Total Trade Payables | 0.09 | 0.05 |

Trade Payable Ageing Schedule

| Particulars | Outstanding as on 31.03.2023 for following periods from due date of payment | | | | Total |
|-------------------------------|---|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| i) Undisputed dues-MSME | --- | --- | --- | --- | 0 |
| (ii) Undisputed dues - Others | 0.04 | 0.05 | --- | --- | 0.09 |
| (iii) Disputed dues - MSME | --- | --- | --- | --- | --- |
| (iv) Disputed dues - Others | --- | --- | --- | --- | --- |

| Particulars | Outstanding as on 31.03.2022 for following periods from due date of payment | | | | Total |
|-------------------------------|---|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| i) Undisputed dues-MSME | --- | --- | --- | --- | --- |
| (ii) Undisputed dues - Others | --- | 0.05 | --- | --- | 0.05 |
| (iii) Disputed dues - MSME | --- | --- | --- | --- | --- |
| (iv) Disputed dues - Others | --- | --- | --- | --- | --- |



| (Amount in Lakhs Unless Otherwise stated) | | | |
|---|------------|------------|--|
| NOTE 5 OTHER CURRENT LIABILITIES | | | |
| PARTICULARS | AS AT | | |
| | 31/03/2023 | 31/03/2022 | |
| | ₹ | ₹ | |
| Outstanding Expenses | 0.34 | 0.05 | |
| TOTAL | 0.34 | 0.05 | |

| (Amount in Lakhs Unless Otherwise stated) | | | |
|---|------------|------------|--|
| NOTE 6 NON CURRENT INVESTMENT | | | |
| PARTICULARS | AS AT | | |
| | 31/03/2023 | 31/03/2022 | |
| | ₹ | ₹ | |
| (As verified & certified by the management) | | | |
| Investment in Associates (Quoted - Non Trade) | | | |
| Investment in Equity Instruments | | | |
| Nil(32866) Shares of Mahalaxmi Rubtech Ltd of Re,10 Each | --- | 2.37 | |
| Investment in Equity Instruments | | | |
| Nil(500) Shares of Reliance Communication Ltd of Re.3.66 Each | --- | 0.02 | |
| Investment in Associates (Unquoted - Non Trade) | | | |
| Investment in Equity Instruments | | | |
| 225 Shares of Anand Chem Industries Pvt Ltd Of Rs 1000/- Each | 8.67 | 8.67 | |
| Investment in others (Unquoted-Trade) | | | |
| Investment in Equity Instruments | | | |
| 200 Shares of Social Co-op Bank Ltd of Rs.100 | 0.2 | 0.2 | |
| TOTAL | 8.87 | 11.26 | |

a. The details of aggregate of quoted and unquoted investment.

| Particulars | Book Value | | Market Value | |
|-------------------------------|------------|------------|--------------|------------|
| | 31/03/2023 | 31/03/2022 | 31/03/2023 | 31/03/2022 |
| | ₹ | ₹ | ₹ | ₹ |
| Aggregate Quoted Investment | --- | 2.39 | --- | 39.43 |
| Aggregate Unquoted Investment | 8.86 | 8.86 | --- | --- |

| (Amount in Lakhs Unless Otherwise stated) | | | |
|---|------------|------------|--|
| NOTE 7 CASH & BANK BALANCES | | | |
| PARTICULARS | AS AT | | |
| | 31/03/2023 | 31/03/2022 | |
| | ₹ | ₹ | |
| Cash and Cash Equivalents | | | |
| Cash on Hand | 0.02 | 0.02 | |
| Balances with banks | | | |
| -On Current Accounts | 75.33 | 0.17 | |
| TOTAL | 75.35 | 0.19 | |

| (Amount in Lakhs Unless Otherwise stated) | | | |
|---|------------|------------|--|
| NOTE 8 LOANS AND ADVANCES | | | |
| PARTICULARS | AS AT | | |
| | 31/03/2023 | 31/03/2022 | |
| | ₹ | ₹ | |
| Unsecured and considered good | 7.65 | 6.83 | |
| TOTAL | 7.65 | 6.83 | |

| (Amount in Lakhs Unless Otherwise stated) | | | | |
|---|---------|------|---------|--|
| NOTE 9 The details of payment to auditors. | | | | |
| | 2022-23 | | 2021-22 | |
| | ₹ | | ₹ | |
| | | | | |
| Audit fee | 0.15 | 0.04 | | |
| Others | 0.31 | --- | | |
| | 0.46 | 0.04 | | |



NOTE 10 There are no dues to micro, small and medium enterprises as on 31st March,2023.

NOTE 11 Provision for Income Tax is made after considering deductions and allowances as per Income Tax Regulations.

NOTE 12 In the opinion of the management the balances shown under sundry debtors and loans & advances have approximately the same realisable value as shown in the accounts.

NOTE 13 Previous year's figures have been regrouped and rearranged to make them comparable with those of current year.

NOTE 14 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:

| | <u>Name of the Related Party</u> | <u>Relationship</u> |
|------------------------------|----------------------------------|--|
| | Kamlaben J. Parekh | Mother of director |
| | Rahul J. Parekh | Director |
| | Mahalaxmi Exports | Associate |
| <u>Nature of Transaction</u> | | <u>Associate</u> <u>Key Managerial Personnel</u> |
| | Rent Paid | |
| | Mahalaxmi Exports | 0.12 |
| <u>Outstanding</u> | | |
| | Payable | |
| | Rahul J. Parekh | --- |
| | | <u>0.20</u> |
| | | <u>0.12</u> <u>0.20</u> |

NOTE 15 **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 of charges which are yet to be registered with Registrar of Companies 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:

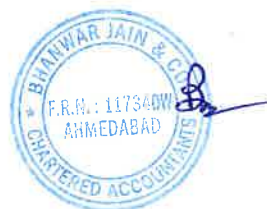
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(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

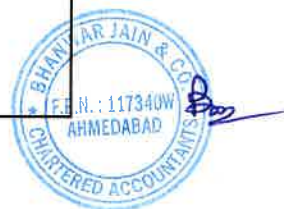
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries 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)



7 Ratios (Continuing operations)

| Sr N | Particular | Numerator | Denominator | March 31,2023 | March 31,2022 | % of Variance | Reason for Variance of |
|------|----------------------------------|--|---|---------------|---------------|---------------|--|
| 1 | Current Ratio | Current Asset | Current Liabilities | 4.72 | 5.50 | -14.15 | --- |
| 2 | Debt-Equity Ratio | Total Liabilities | Shareholders Equity | 0.24 | 0.09 | 174.96 | Increase in net worth compare to increase in |
| 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 | NA | --- | --- |
| 4 | Return on Equity Ratio | Net Profits after taxes – Preference Dividend (if any) | Shareholder's Equity | 75.70 | 38.09 | 98.75 | Due to increase in Net profit after tax. |
| 5 | Inventory turnover ratio | Cost of goods sold/Net Sales | Average Inventory | NA | NA | --- | --- |
| 6 | Trade Receivables turnover ratio | Net credit sales = Gross credit sales - sales return | Avg. Accounts Receivable | NA | NA | --- | --- |
| 7 | Trade payables turnover ratio | Net credit purchases = Gross credit purchases - purchase return | Average Trade Payables | NA | NA | --- | --- |
| 8 | Net capital turnover ratio | Net sales = Total sales - sales return | Working capital = Current assets – Current liabilities | NA | NA | --- | --- |
| 9 | Net profit ratio | Net Profit | Net sales = Total sales - sales return | NA | NA | --- | --- |
| 10 | Return on Capital employed | Earning before interest and taxes | Capital Employed = Total Equity+Long term Debt | 98.26 | 44.59 | 120.34 | Due to increase in Net profit after tax. |
| 11 | Operating profit Margin (%) | Earning before interest and taxes | Revenue from operations | NA | NA | --- | --- |
| 12 | Return on Net Worth (%) | Total comprehensive income for the year, net of tax | Net worth= Total Equity | 75.70 | 38.09 | 98.75 | Due to increase in Net profit after tax. |



NOTE 15 Significant accounting policies and practices adopted by the company:

- a. Basis of Accounting :
The financial statements are prepared under the historical cost convention on accrual basis.
- b. Investments :
Investments are considered as long term, therefore stated at cost of acquisition and no provision for diminution in value is made having considered as temporary by the board of directors.
- c. Taxes on Income:
Provision for current tax is made on the basis of taxable income for the period computed in accordance with the provisions of the Income Tax Act, 1961. Deferred tax resulting from timing differences between taxable income and accounting income, is accounted for using the tax rates and laws that have been enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that there would be adequate future taxable income against which deferred tax asset can be realised.
- d. Accounting policies not specifically referred to are consistent with generally accepted accounting policies.

Signatures to Notes

As per our report of even date.

For **BHANWAR JAIN & CO.**

Chartered Accountants.

Firm Registration No. : 117340W

1 TO 15

For and on behalf of Board of Directors of Mahalaxmi Fabric Mills Private Limited.



(B. M. JAIN)

Partner

Membership No. : 034943

AHMEDABAD

DATE: 29/05/2023.



Rahul J Parekh

Director.

(DIN 00500328)



(Anand J. Parekh)

Director.

DIN 00500384

AHMEDABAD

DATE: 29/05/2023.