

Jaipurkurti.com - A Tryst with India's Tradition

**ANNUAL REPORT 2021-2022**





# OUR STORY OF FASHION

**Supported by four core pillars of our business model, which also acts as our growth catalysts**



**INSTITUTIONALISED PRODUCT  
DESIGN CAPABILITIES**



**DIVERSIFIED AND  
RESPONSIVE SUPPLY CHAIN**



**STRENGTHENING RETAIL  
FOOTPRINT AND ONLINE PRESENCE**



**OUR PEOPLE**



# STORIES INSIDE

- OUR BRAND
- CORPORATE INFORMATION
- WHAT JAIPURKURTI.COM STANDS FOR
- DESIGN PROCESS
- DIGITAL UPGRADE
- OUR JOURNEY SO FAR
- OUR PRODUCTS ON RETAILING CHANNELS
- SOCIAL MEDIA ACTIVITIES
- ROBUST SUPPLY CHAIN
- OUR FOCUSED GROWTH
- OUR STORY IN NO'S
- CHAIRMAN'S COMMUNIQUE
- 1-10 BOARD'S REPORT
- 11-12 ANNEXURE 1 (FORM AOC-1)
- 13-14 ANNEXURE 2 (FORM AOC-2)
- 15-16 ANNEXURE 3 (SECRETARIAL AUDIT REPORT)
- 17-35 ANNEXURE 4 ( CORPORATE GOVERNANCE REPORT)
- 36 CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
- 37-46 ANNEXURE 5 (MANAGEMENT DISCUSSION & ANALYSIS REPORT)
- 47-48 ANNEXURE 6 ( PARTICULARS OF EMPLOYEES)

## FORWARD-LOOKING STATEMENT

This report contains forward-looking statements, which may be identified by the use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that mention expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to amend or revise any forward-looking statements from time to time based on any subsequent developments, information or events.

- 49-50 ANNEXURE 7 ( CEO/CFO CERTIFICATION)
- 51-115 STANDALONE FINANCIAL STATEMENTS
- 116-182 CONSOLIDATED FINANCIAL STATEMENTS
- 183-194 NOTICE OF ANNUAL GENERAL MEETING
- RETAIL STORES
- OUR STORES
- WALL OF FRAME



# OUR BRANDS

With an aim to provide fashion in a modern retail environment to the Indian women, the company started its operations in the Financial Year 2012-13. The brand grew out of contemporary Indian women's need for innovative ready to wear that combines fashion and functionality.

**JAIPURKURTI.COM:** Jaipurkurti.com is the leading D2C women's Indian wear brand in the new age ethnic segment.

**AMAIVA-BY JAIPURKURTI:** Amaiva is a high-end brand where style meets affordability.

**DESI FUSION:** With our brand Desi Fusion we are catering to prominent B2B fashion destinations across India.

## OUR VALUES



### TRUST

Being India's most trusted D2C Indian wear Brand, we believe that conducting businesses in a fair, transparent and ethical manner is pivotal to building strong relationships.



### QUALITY

Jaipurkurti.com is recognized for its high-quality product offerings across price points. The testimony for our success is our loyal consumer base spanning domestic and international markets.



### CUSTOMER SATISFACTION

We believe in achieving excellence in all we do. We make sure our each garment works as our Brand ambassador.

Jaipur kurti<sup>®</sup>  
Com



Desi Fusion<sup>®</sup>

# CORPORATE PROFILE

**COMPANY NAME:** NANDANI CREATION LIMITED

**CIN:** L18101RJ2012PLC037976

**ISIN:** INE696V01013

**OUR SYMBOL ON NSE:** JAIPURKURT

**MAIL ID:** INFO@JAIPURKURTI.COM **CONTACT NO.:** +91-141-4037596

**STOCK EXCHANGE DETAILS:** NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE)

**REGISTERED OFFICE:** G-13, KARTARPURA INDUSTRIAL AREA, NEAR 22 GODAM,  
JAIPUR-302006, RAJASTHAN, INDIA

## BOARD OF DIRECTORS

NAME	DESIGNATION
Mr. Anuj Mundhra	Chairman & Managing Director
Mrs. Vandana Mundhra	Whole-Time Director
Mrs. Sunita Devi Mundhra	Whole-Time Director
Mr. Neetesh Kabra	Independent Director
Mr. Gagan Saboo	Independent Director
Mr. Gaurav Jain	Independent Director

## OTHER KEY MANAGERIAL PERSONNEL

NAME	DESIGNATION
Mr. Dwarka Dass Mundhra	Chief Financial Officer
Ms. Gunjan Jain	Company Secretary & Compliance Officer

### REGISTRAR & SHARE TRANSFER AGENT:

BIGSHARE SERVICES PVT. LIMITED  
MUMBAI-400059 MAHARASHTRA

### STATUTORY AUDITOR'S:

M/S ASHOK HOLANI & CO.,  
CHARTERED ACCOUNTANTS, JAIPUR

### SECRETARIAL AUDITOR'S:

MANISHA GODARA AND ASSOCIATES  
COMPANY SECRETARY IN PRACTICE, NEW DELHI

### INTERNAL AUDITOR'S:

JAIN SHRIMAL & CO.  
CHARTERED ACCOUNTANTS, JAIPUR

### PRINCIPAL BANKERS:



### AUDIT COMMITTEE:

GAURAV JAIN (CHAIRMAN)  
GAGAN SABOO  
NEETESH KABRA

### NOMINATION & REMUNERATION COMMITTEE

GAURAV JAIN (CHAIRMAN)  
GAGAN SABOO  
NEETESH KABRA

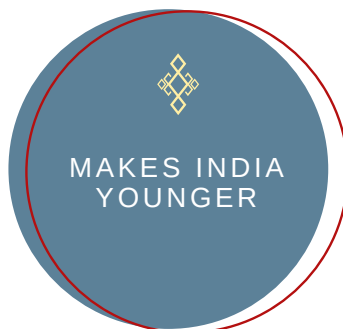
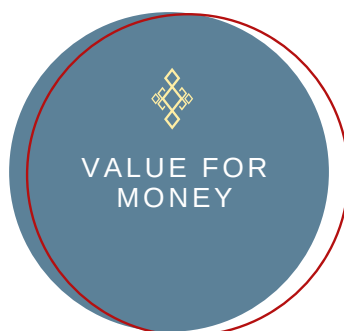
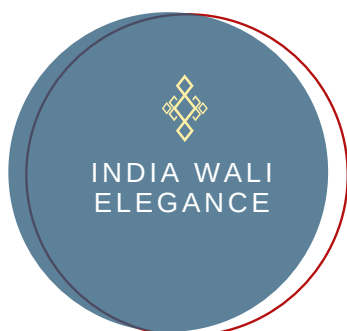
### STAKEHOLDERS RELATIONSHIP COMMITTEE

GAURAV JAIN (CHAIRMAN)  
ANUJ MUNDHRA  
VANDANA MUNDHRA





## WHAT JAIPURKURTI.COM STANDS FOR?



# DESIGN PROCESS

## The Art of Creation



### SKETCH TO REALITY

NEW CONCEPTS - STORIES  
EVERY SEASON

NEW STYLES LAUNCHES IN  
EVERY 2-3 WEEKS

Designing in the Fashion Industry is a dynamic and intricate process encompassing research, product creation and feedback.

At Jaipurkurti.com we have a strong & dedicated team of designers who constantly churn out Innovative and contemporary designs using robust design process and perpetual consumer feedback.

The design process seamlessly integrates multiple stages of trend analysis, product conceptualization, print creation and range planning to produce the final product. Strong creative orientation and institutionalized product creation processes ensures the balance of creativity and commerce for every single range.

# DIGITAL UPGRADE

VERSION 2.0

## THE MOVE TO DIGITAL

Customer behavior towards online shopping has been undergoing a change. Online shopping has become a norm, with increasing interaction and customer expectations around services.

Jaipurkurti.com had initiated building a technical infrastructure for end-to-end digitization. The adoption of these new initiatives has helped the organization build a future-ready, agile and resilient system.

## OMNICHANNEL SOLUTIONS

Omnichannel is the integration of Phygital (Physical and Online Channels) to offer a unified customer experience and Jaipurkurti.com is on its journey of becoming truly an omnichannel business.





# OUR JOURNEY SO FAR



From a humble start of business in 2004, Nandani creation limited with its brand "Jaipurkurti.com" has traversed a remarkable journey by staying relevant to customers and evolving the business in sync with the changing times to one of the leading D2C indian wear brand in 2022.





# OUR PRODUCTS ON RETAILING CHANNELS



SUIT SETS | KURTA SETS | KURTI | KURTAS | BOTTOM WEARS |  
LOUNGE WEARS | TOPS | JUMPSUITS | DRESSES |  
INDO WESTERN WEARS

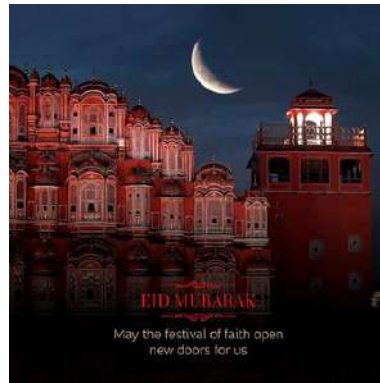


# SOCIAL MEDIA ACTIVITIES

## EID MUBARAK



## WOMEN'S DAY



## 100K CONTEST

# INFLUENCER ACTIVATION

## SNEHA NAMANANDI



## TEAM NAACH

## NAINA SINGH



# ROBUST SUPPLY CHAIN

---

Women's ethnic wear is a complex product category that requires a robust, flexible and diversified supply chain base.

Over the years, we have worked in close partnership with over 200+ vendors ranging from artisan groups to large mills, to deliver a highly differentiated product each time to the customer.

Our scalable supply chain which has been built on the back of relentless focus and our relationship over the years, continues to be a key competitive advantage for the organization.

Well-balanced and  
diversified supply  
base



Stable and scalable supply  
chain network





# FOCUSED SALES GROWTH

WWW.JAIPURKURTI.COM

## EXCLUSIVE BRAND OUTLET (EBO)

H1FY22 : 4.00%

H2FY22 : 9.00%

- *Doubled EBO count to 6 (4 in Jaipur, 1 in Sri Ganganagar & 1 in Jodhpur)*

- *High Customer Patronage*

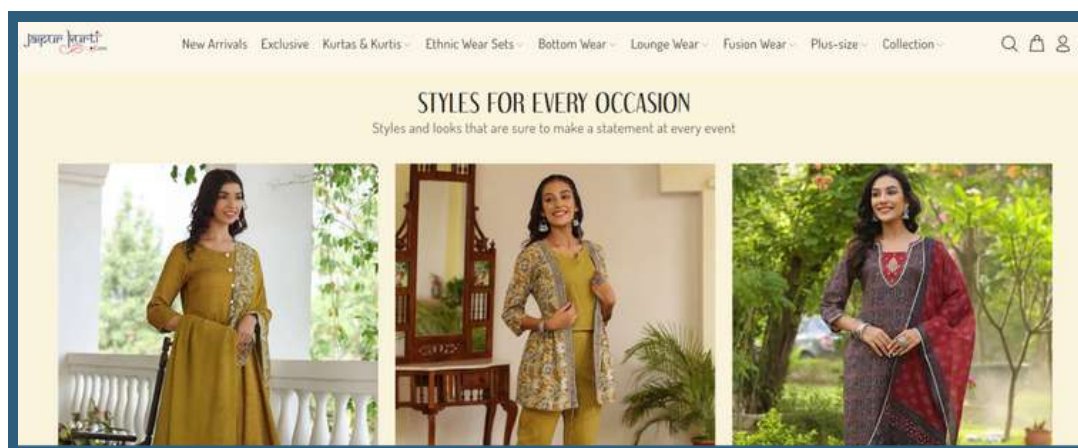


## PROPRIETARY ONLINE PLATFORM

H1FY22 : 1.5%

H2FY22 : 3.00%

- *Good Brand Recall*
- *High Customer Patronage*
- *Attracting Organic Traffic*



# OUR STORY IN NUMBERS

We are determined to expand and grow our business. Our confidence in charting an exciting future stems from the strong foundation we have built over the years.



## RETAILING CHANNELS





# CHAIRMAN'S COMMUNIQUE



## DEAR SHAREHOLDERS,

I am delighted to present the 10th Annual Report of Nandani Creation Limited. At the outset, I warmly welcome the shareholders to our Company and convey my sincere thanks to them for the trust they have reposed in the business. Your confidence has infused new energy within the Company - to further evolve and grow the operations while always staying relevant to customers. I look forward to sharing the future success of the Company with you.

From a humble start in 2004 to one of the leading D2C Indian wear Brand in 2022, Nandani creation Limited with its brand Jaipurkurti.com has traversed a remarkable journey by staying relevant to customers and evolving the business in sync with the changing times.

A Forerunner in the ethnic fashion domain, Nandani Creation Limited with its brand "Jaipurkurti.com" has curated trendy styles for the modern woman since its inception, fusing heritage with contemporary inspirations. In the apparel space, today we are a rapidly growing fashion house that specializes in traditional designs, culturally rich styles and fashionable ethnic wear for women.

Our brand's expertise in apparel shows through its exclusive range, which comprises a wide array of ethnic Indian wear such as kurtas, kurtas, dresses, pants, suit sets, palazzos, Patiala salwars, salwar kameez, dupattas, and more.

Our garments are our identity. They reflect the art and love they are made from, our garments turn eyes, and create attention when they reach our targeted customers.

### BUILDING A BRAND:

Brand JaipurKurti.com is unique in the way it portrays the traditional image of Indian women. The style and design of each piece is well-thought-out and paint a picture of heritage India. However, the brand is rooted in the modern and staying abreast of modern channels of retail helps them reach out to a vast audience all across. Customers can shop their hearts out on [www.jaipurkurti.com](http://www.jaipurkurti.com), the brand's website, or from

“At the heart of our production is the yearning to bring out the best of ethnic traditions and letting women feel the gorgeous embrace of Indian heritage”

leading e-commerce platforms such as Myntra, Ajio, Flipkart, Tata Cliq, Snapdeal, Nykaa, etc.

**JaipurKurti.com** caters to women of all age groups—its wares are available in all sizes—and focuses on making every woman feel like she owns her own style, trend and tradition. Fashion has no bar on age or criterion when it comes to flaunting style and tradition, and brand Jaipur Kurti respects this and wants brand loyalists to go by their personal choices and not because something is trending.

A favourite with customers consequently, Jaipur Kurti today ranks among the top brands in the online marketplace. Talking about the phenomenal success of the brand and to get a strong foothold in the Indian market, we give digital marketing and e-commerce a lot of credit.

From maintaining immaculate quality standards to ensuring quick deliveries, every aspect, however miniscule or significant, has contributed to Jaipur Kurti's journey.

#### **RETAIL COMPASS:**

Apart from a strong digital footprint, **JaipurKurti.com** also has a very strong offline presence. Currently, we have six retail stores in Rajasthan (at Vaishali Nagar, Jaipur; Triton Mall, Jhotwara, Jaipur; MGF Mall, 22 Godam, Jaipur, GT Gaurav Towers, Malviya Nagar, Jaipur, Sri Ganganganagr & Jodhpur) and intends to open 25-30 retail stores by the end of FY 2024. The broad plan is to first have a strong presence in all major cities of Rajasthan and then expand to other major cities of India.

In the process of building its retail empire, the brand, however, does not want to lose its focus on customers and always looks to depend on customer feedback and suggestions to reorient its approach, designs and ethos.

With over a decade of experience in this industry and keeping in mind varied factors like demand, price and delivery, the team at JaipurKurti.com moulds its collection and services every season.

And this practice of keeping in touch with the realities while remaining rooted in tradition and heritage makes the brand very unique.

#### **CUSTOMER BASE:**

Being present online through our own channels, external channels and marketplaces has helped us build a very big customer base.

*"What has happened so soon, would have taken more than 20 years otherwise."* we consider ourselves lucky therefore for the response our brand has received, the reasoning being Indian customers have started purchasing online as they have understood the convenience of online shopping.

Further, the customers are attracted by the benefits, discounts, return/exchange policies that are a part of online shopping. They are also able to view the entire store online, make a list of their choices and fulfill their shopping needs with just a click.

#### **FUTURE PLANS:**

Not only has shopping been made easy by technology, but we are able to tap a lot of influencers and gain immense traction through the brand's social media base. We thus want to use technology further to tune in new retail innovations like digital changing rooms, virtual store views and Quick & Fast Delivery into the basic framework of the brand.

Been an ace player in the fashion industry for more than 10 years, Nandani has left no stone unturned to assure their customers and clients by constructing the most desirable outfit as per their preferences.

Being an established online brand on 3rd party platform, we are witnessing a high acceptance of our brand "**Jaipurkurti.com**" on our proprietary sales channels as well both online & offline.

#### **FINANCIAL UPFRONTS:**

**Revenue:** Our total group Revenue for the FY22 was of Rs. 63 crores as compared to Rs. 48 Crores in FY21.

**Proprietary Sales Channel:** We have revamped our website [www.jaipurkurti.com](http://www.jaipurkurti.com) and relaunched our proprietary sales platform in Dec, 2021. Within 3 months of relaunch we are able to achieve a run rate of Rs. 1 lakh+ per day which is expected to increase exponentially in coming years.

Contribution from the proprietary sales platform grew from 4.6% in FY21 to 8% in FY22, increasing further to 15% in Q4FY22.

Further to state that this financial year has been an exciting year for us. On the back of our robust business capabilities, we were able to crossover the growth barriers and delivered strong results. We believe we are in our



initial phase as we continue to expand our reach and set up our distribution channel to reinforce our women Indian wear offerings across sales channels. Further, the growing acceptance of our brand demonstrates the attractiveness of our design & platform and the tremendous potential to address opportunities that lie ahead.

During the previous year, alongside business growth, our focus was also on technology upgradation, organization building and process improvement to develop a resilient business model.

In closing, I would like to thank all our employees for their dedication and hard work over the past year. Your Company is grateful to its customers for their loyalty and remains committed to delivering them the best experience. I would also like to thank the various stakeholders, whose continued support has helped the Company overcome various challenges. The pandemic has highlighted the importance of being able to adapt quickly to ever-changing market conditions. This, I believe, your Company and its management team have successfully demonstrated. I commend them for their able leadership.

I would also like to thank the various stakeholders, whose continued support has helped the Company overcome various challenges. The pandemic has highlighted the importance of being able to adapt quickly to ever-changing market conditions. This, I believe, your Company and its management team have successfully demonstrated. I commend them for their able leadership. Finally, I once again thank our shareholders for their trust in our business. Exciting opportunities beckon your Company; by staying agile and customer-focused, it is determined to capture these opportunities to create better value for all stakeholders.

**WARM REGARDS,  
ANUJ MUNDHRA  
CHAIRMAN & MANAGING DIRECTOR**

*WE MAKE SURE THAT OUR  
EACH GARMENTS WORKS AS  
OUR VISITING CARD.*

**Being present online through D2C channels and various marketplaces has helped us building a very big customer base**



## BOARD'S REPORT

**Dear Members,**  
**Nandani Creation Limited,**

The Board of Directors is pleased to present the **10<sup>th</sup> Annual Report** together with the Audited Financial Statements, prepared in compliance with Ind AS Accounting Standards of Nandani Creation Limited ("your Company") for the Financial Year (FY) ended March 31, 2022.

### 1. STATE OF COMPANY'S AFFAIRS AND BUSINESS OVERVIEW

#### A DECADE OF ESTABLISHMENT

A country is best known by its culture, and a culture is best known by its tradition. In an endeavor to bring the best of our country's cultural fabric, quite literally, we launched JaipurKurti.com a brand centered around representing Indian traditional wear for all occasions. JaipurKurti.com was created to explore the varied dynamics of Indian ethnic wear, presenting this heritage to modern women at its widest range.

Your company has three brands "**Jaipurkurti.com**", "**Amaiva-By Jaipurkurti.com**" & "**Desi Fusion**"

"**Jaipurkurti.com**" is the leading D2C women Indian wear Brand in the new age ethnic segment. Its among the top ten brand at every marketplace and has dominated the plus size and bottom wear category.

"**Amaiva-By Jaipurkurti**" is the high-end brand where style meets affordability.

With our brand "**Desi Fusion**" we are soon entering the unorganized offline wholesale sector but in an organized way.

A Forerunner in the ethnic fashion scene of the country, we are "Nandani Creation Limited" a NSE Listed Company, curated with dedication, commitments, modern inspirations and heritage musings. We are a leading fashion house specializing in traditional designs, culturally rich styles and ethnic wear for women. With our unique prints and patterns being fused into every-day fashion by our manufacturing facilities, we have created a diverse range of ethnic wear loved by women. We are best for specializing in the production and sale of a wide range of ethnic Indian wear consisting of Kurtis, Dresses, Suit Sets, Patiala Salwars, Salwar Kameez, Dupattas, Palazzos, wide variety of Bottoms etc.

We are popularly known and Identified in apparel market by our brand name "Jaipurkurti.com" and have **6 Retail Stores** in Rajasthan situated at

"Jaipur Kurti.com", Vaishali Nagar, Jaipur;  
"Jaipur Kurti.com", Triton Mall, Jhotwara, Jaipur  
"Jaipur Kurti.com", MGF Mall, 22 Godam, Jaipur  
"Jaipur Kurti.com", Gaurav Tower (GT), Jaipur  
"Jaipurkurti.com", Sri Ganganagar  
"Jaipurkurti.com", Sardarpura Jodhpur

Your company believes that our brands have a pan-India appeal across regions.

More details on the state of Company's affairs and business overview are discussed in the Management Discussion & Analysis Report forming part of this Annual Report.

### 2. FINANCIAL HIGHLIGHTS & PERFORMANCE SUMMARY.

The standalone and consolidated Financial Statements for the FY ended March 31, 2022, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standard (hereinafter referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. Necessary disclosures regarding Ind-AS reporting have been made under the Notes to Financial Statements. The Company's performance during the FY under review as compared to the previous FY is summarized below:

#### During the Financial Year 2021-22:

- For the financial Year 2021-22, your Company recorded Standalone Sales of Rs. 55.51 Cr as against Rs. 46.09 Cr in the previous years and thereby recorded growth of 20.43% in the Sales.
- The Consolidated Sales of your Company is Rs. 63.36 Crores as compared to Rs. 48.39 Crores the previous year and thereby recording the growth of 2.48 % in the Sales.

The Standalone Profit of the Company after Taxation is Rs. 10.22 lacs as compared to Rs. 1.49 Crores in the previous year and the Consolidated Profit of the Company after Taxation is Rs. 49.57 Lacs as compared to Rs. 1.70 Crores in the previous year .



The company's financial performance on a consolidated basis for the year ending as on March 31, 2022 is outlined as follow:

Particulars	Year Ended 31.03.2022 (in crores)	Year Ended 31.03.2021 (in crores)
Revenue from operations	62.68	47.82
Other Income	0.68	0.58
<b>Total Revenue</b>	<b>63.36</b>	<b>48.40</b>
<b>Less: Total Expenses</b>	<b>62.67</b>	<b>46.05</b>
<b>Profit before Exceptional &amp; extra-ordinary items &amp; Tax</b>	<b>0.69</b>	<b>2.35</b>
<b>Less: Exceptional Item</b>	<b>0.00</b>	<b>0.05</b>
<b>Profit/(Loss) before Tax</b>	<b>0.69</b>	<b>2.30</b>
<b>Less: Tax Expenses</b>	<b>0.19</b>	<b>0.60</b>
<b>Profit/(Loss) After Tax</b>	<b>0.50</b>	<b>1.70</b>

### 3. IMPACT OF COVID-19:

During the 2nd wave of the pandemic, the country faced a lot of difficulties due to rise in infections and through this time each one of us has been directly or indirectly affected. Due to an increase in the number of daily COVID-19 cases, several state governments in India re-imposed lockdowns, curfews, and other restrictions to curb the spread of the virus, restricting operations at our stores.

Your Company managed to navigate through the difficult situation with support of its customers, employees and suppliers. With the availability of vaccines and a better understanding of how to handle it, your Company has emerged stronger and resilient. While there was significant disruption to the operations of the Company and its subsidiary during ongoing COVID-19 crisis, the Company has managed to navigate its challenges. The Company has evaluated its liquidity position and recoverability and carrying values of its assets and accordingly, at present the management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The

Management continues to closely monitor the situation as it evolves and do it's best to take all necessary measures, in the interests of all stakeholders of the Company.

### 4. FINANCE:

Your Company has been financing its operations and expansions through internal accruals. The Company has changed its banking partners during the year under review.

We have Bandhan Bank as our new banking partners since November, 2022 and have taken a total Cash Credit Limit of Rs. 5 Crores from the bank.

The company has also pledged 11 lacs shares of Mr. Anuj Mundhra, Promoter, Chairman & Managing Director of the Company.

### 5. MAIN BOARD MIGRATION & POSTAL BALLOT

The Company has conducted the Postal Ballot in accordance with the provisions of Section 110 of the Companies Act, 2013 for obtaining the approval of Shareholders for the purpose of migrating the Equity Shares from SME Platform (Emerge) of National Stock Exchange of India Limited to main board of NSE.

The Postal Ballot was started from Thursday, 04<sup>th</sup> February, 2021 at 9:00 AM and ended on Friday, 05<sup>th</sup> March, 2021 at 5:00 PM in the FY 2020-21.

The Special Resolution was passed on 05<sup>th</sup> March, 2021 by the Shareholders/Members.

The Company has obtained the In-principal approval from the Exchange on 17<sup>th</sup> August, 2021 and the Principle/Listing Approval for Migration from SME Platform to Capital Market Segment (Main Board) of the Exchange on 31<sup>st</sup> August, 2021 (Ref. No. NSE/LIST/115). The Equity shares were listed and admitted to dealing on the Exchange (capital market Segment) w.e.f. 02<sup>nd</sup> September, 2021.

The Listing on Main Board is likely to have wider participation from Investors at large and will enhance the Image and Goodwill of the Company.

This has proved to be a major milestone in the history of Nandani Creation Limited.

### 6. DIVIDEND

With a view to provide cushion for any financial contingencies in the future and to strengthen the financial position of the Company, your Directors have decided not to recommend any dividend for the period under review.

**7. TRANSFER TO RESERVES**

The Board of Directors of the Company has transferred amount of Rs. 0.48 Lacs to its Reserve & Surplus account during the Financial Year 2021-22.

**8. CONSOLIDATED FINANCIAL STATEMENT:**

In accordance with the provisions of the Act, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred to as "Listing Regulations") and applicable Accounting Standards, the Company is required to submit Audited Consolidated financial statements of the Company, together with the Auditor's report from part of this Annual Report.

**9. SHARE CAPITAL:**

As on March 31, 2022, the Authorized Equity Share Capital of the Company was Rs. 1,10,00,00,00/- comprising of 1,10,00,000 equity shares of Rs. 10/- each..

The Company has not issued and allotted any equity shares In the period under review.

Further the Company has not issued any convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants.

**DETAILS OF LOCK – IN OF SHARES**

The Equity Shares proposed to be offered and allotted in the Preferential Allotment shall be locked-in in accordance with Regulation 167 of the SEBI ICDR Regulations.

The Entire pre-preferential allotment shareholding of the Proposed Allottees, if any, shall be locked-in from the relevant date up to a period of Six Months from the date of trading approval granted by the Stock Exchange.

Following are the details of the Lock in of Shares:

NAME OF APPLICANT	QUANTITY	LOCK IN DATE	TILL DATE
ANUJ MUNDHRA	475000	30.11.2023	
ANUJ MUNDHRA	700000	15.04.2024	
VANDANA MUNDHRA	135000	30.11.2023	
VANDANA MUNDHRA	550000	15.04.2024	
SUNITA DEVI MUNDHRA	250000	30.11.2023	
SUNITA DEVI MUNDHRA	550000	15.04.2024	
<b>TOTAL</b>	<b>26,60,000</b>		

**10. SUBSIDIARY COMPANY:**

The Company has one Wholly Owned Subsidiary Company:

**Desi Fusion India Private Limited**

Desi Fusion India Private Limited was incorporated in Jaipur on 31.05.2016. Our Subsidiary Company is engaged in the business of Buying and Selling of Fabrics.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 (the Act) Accounting Standards and Securities and Exchange Board of India (SEBI)(Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations) the Company has prepared consolidated financial statements which form part of this Annual Report.

In accordance with Schedule V of Listing Regulations, the Company is required to make the Disclosure for its Holding Company and Subsidiary Company.

A separate statement containing salient features of the financial statements of the Company's subsidiary in prescribed form AOC- 1 and the Disclosure under Schedule V is annexed as [Annexure 1](#) to this report.

The audited financial statement including the consolidated financial statements of the Company and all other documents required to be attached thereto is available on the Company's website i.e. [www.nandanicreation.com](http://www.nandanicreation.com) The financial statement of the subsidiary company is available on the Company's Website i.e. [www.nandanicreation.com](http://www.nandanicreation.com)

**11. SECRETARIAL STANDARDS**

Pursuant to the provisions of **Section 118 of the Companies Act, 2013**, the Company has complied with the applicable provisions of secretarial standards issued by the Institute of Company Secretaries of India.

**12. OPENING OF NEW RETAIL STORES WITH BRAND "JAIPURKURTI.COM"**

Your Company Nandani Creation Limited has total 6 Retail Stores in Rajasthan.

The Company has launched two new Retail store in the F.Y. 2022-23 to expand its business at

**"Jaipur Kurti.com", Gaurav Towers (GT) on 01<sup>st</sup> July, 2021. "Jaipurkurti.com", Sri Ganganagar on**

The Company has launched its 6<sup>th</sup> Retail Store on 6<sup>th</sup> April, 2022 making the total count to Six (6).



### **13. MATERIAL CHANGES & COMMITMENTS AFFECTING THE COMPANY:**

In pursuance to Section 134(3)(l) of the Companies Act, 2013, the following Material Changes have occurred between the end of Financial Year and date of this Report affecting the financial position of the Company.

#### **MIGRATION TO MAIN BOARD OF NSE**

The Company has obtained the In-principal approval from the Exchange on 17th August, 2021 and the Principle/Listing Approval for Migration from SME Platform to Capital Market Segment (Main Board) of the Exchange on 31st August, 2021 (Ref. No. NSE/LIST/115). The Equity shares were listed and admitted to dealing on the Exchange (capital market Segment) w.e.f. 02nd September, 2021.

### **14. PUBLIC DEPOSIT**

The Company has not accepted any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review. Hence, the requirement for furnishing the details of Deposits which are not in compliance with Chapter V of the Act is not applicable.

### **15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to Financial Statements forming a part of this annual report.

### **16. RELATED PARTY TRANSACTIONS:**

All Contracts/transactions/arrangements entered by the Company during the financial year with the Related Parties were in ordinary course of Business and on an Arm's Length Basis and in accordance with the provisions of the Companies Act, 2013, read with the Rules issued there under and the regulations. Further, there were no transactions with related parties which qualify as material transactions under the regulations.

All transactions with related parties were reviewed and approved by the Audit Committee. Prior omnibus approval of the Audit Committee has been obtained for the transactions which are of repetitive nature. The transactions entered into pursuant to the omnibus approval so granted along with a statement giving details of all related party transactions was placed before the Audit Committee on quarterly basis, specifying the nature, value, terms and conditions of the same. The Company has made

transactions with related parties pursuant to Section 188 of the Act.

The Company has formulated a policy on materiality of related party transactions and also on dealing with Related Party Transactions which has been uploaded on the Company's website at the web link <https://www.nandancreation.com/docs/investors/policies/POLICY-ON-MATERIALITY-OF-RELATED-PARTY-TRANSACTIONS.pdf>

Information on transactions with related parties pursuant to Section 188(1) for entering into such contract or arrangement in Form AOC-2 is annexed to this Report as [Annexure-2](#). All the transactions with the related party were in accordance with the Section 188 of the Companies Act, 2013, read with the Rules issued thereunder and the Listing Regulations.

### **17. AUDITOR'S AND AUDITOR'S REPORT:**

#### **SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT**

The Board of Directors of the Company has appointed **M/s Manisha Godara & Associates, Company Secretaries, New Delhi (FRN: S2014RJ268900)** as the Secretarial Auditor to conduct an audit of secretarial records for the financial year **2021-22**.

The Secretarial Audit Report for the financial year ended 31<sup>st</sup> Day of March, 2022 under Act, read with Rules made thereunder and Regulations 24A of the listing regulations (including any statutory modification(s) or re – enactment(s) thereof for the time being in force) is set out in the [Annexure 3](#) to this report.

The Secretarial Audit Report does not contain any qualification.

The Board has re – appointed **M/s Manisha Godara & Associates, Company Secretaries, New Delhi (FRN: S2014RJ268900)** as Secretarial Auditors of the Company for FY 2022-23. The company has received consent from Mrs. Manisha Godara to act as the auditor for conducting audit of the secretarial records for the financial year ending as on 31<sup>st</sup> Day of March, 2023.

Further, in line with the aforesaid compliance, the Board of Directors has re-appointed **M/s Manisha Godara & Associates, Company Secretaries, New Delhi (FRN: S2014RJ268900)**, in its meeting held on 01<sup>st</sup> September, 2022 for conducting the Secretarial Audit for the Financial Year ending as on 31<sup>st</sup> March, 2023

### STATUTORY AUDITORS & STATUTORY AUDIT REPORT

**M/s Ashok Holani & Co., Chartered Accountants, Jaipur (FRN: 009840C)**, were re-appointed for the 2<sup>nd</sup> Tenure as the statutory Auditors of the Company at 8<sup>th</sup> Annual General Meeting of the Company held on 28<sup>th</sup> September, 2020 for a period of 5 years till 13<sup>th</sup> Annual General Meeting to be held in the FY 2025, subject to ratification at every AGM.

**M/s Ashok Holani & Co., Chartered Accountants, Jaipur (FRN: 009840C)**, has confirmed that they are not disqualified from continuing as Auditors of the Company.

The Auditors have issued an unmodified opinion on the Financial Statements for the financial year ended 31<sup>st</sup> March, 2022. The Auditors' Report for the financial year ended 31<sup>st</sup> March, 2022 on the financial statements of the Company is a part of this Annual Report.

### INTERNAL AUDITORS & INTERNAL AUDIT REPORT

The Board of Directors of the Company has appointed **M/s Jain Shrimal & Co., Chartered Accountants, Jaipur (FRNo.: 001704C)** as the Internal Auditor to conduct an audit of Internal records for the financial year **2022-23**.

The Board has re – appointed **M/s Jain Shrimal & Co., Chartered Accountants, Jaipur (FRN.: 001704C)** as Secretarial Auditors of the Company for FY 2022-23. The company has received consent from them to act as the auditor for conducting audit of the internal records for the financial year ending as on 31<sup>st</sup> Day of March, 2023.

Further, in line with the aforesaid compliance, the Board of Directors has re-appointed **M/s Jain Shrimal & Co., Chartered Accountants, Jaipur (FRNo.: 001704C)**, in its meeting held on 01<sup>st</sup> September, 2022 for conducting the Internal Audit for the Financial Year ending as on 31<sup>st</sup> March, 2023

### 18. DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### • Retirement by Rotation:

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and in terms of Articles of Association of the Company, Mrs. Vandana Mundhra (DIN: 05202503) retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Board recommends her re-appointment for consideration by the Members of the Company at the 10<sup>th</sup> Annual General Meeting.

Pursuant to the provisions of Section 203 of the Act, the KMP's of the Company as on March 31, 2022 are as follows:

1. Mr. Anuj Mundhra, Chairman & Managing Director
2. Mrs. Vandana Mundhra, Whole-Time Director
3. Mrs. Sunita Devi Mundhra, Whole-Time Director
4. Mr. Gaurav Jain, Non Executive Independent Director
5. Mr. Gagan Saboo, Non Executive Independent Director
6. Mr. Dwarka Dass Mundhra, Chief Financial Officer
7. Ms Gunjan Jain, company Secretary & Compliance Officer

### 19. CORPORATE GOVERNANCE REPORT:

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a Certificate of Auditors on its Compliance forms an integral part of this Report Annual Report as Annexure-4.

### 20. EXTRACT OF ANNUAL RETURN:

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the annual return of the Company is available on the Company's website at the following web link:-  
<https://www.nandanicreation.com/annual-report.php>

### 21. BOARD MEETING:

During the year under review 6 (Six) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

The details of Meetings of the Board and its Committees are given in the Corporate Governance Report.

### 22. GENERAL MEETINGS:

#### Annual General Meeting:

The 9<sup>th</sup> Annual General Meeting of the members of the Company was held on September 30, 2021, through video conference pursuant to the Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 followed by Circular No. 20/2020 dated May 5, 2020 and all other relevant circulars issued from time to time by MCA (collectively referred to as "MCA Circulars") to approve Financial Statements and other matters. All the Executive Directors were present in the meeting.

#### Extra-Ordinary General Meeting:



The Company held an Extra Ordinary General Meeting on Wednesday, 27th October, 2021 through video conference pursuant to MCS Circular to approve raising of funds in one or more tranches by issuance of Securities by way of private offerings, Qualified Institutions Placement(s) and/or any combination thereof or any other method as may be permitted under applicable law. All the executive Directors were present in the meeting.

### 23. COMMITTEES OF THE BOARD

Pursuant to the provisions of the Act and Rules made there under and SEBI (LODR) regulation, 2015, the board has constituted various committees. Composition and other details on the committee are given in the Corporate Governance Report.

### 24. MEETING OF INDEPENDENT DIRECTORS

Pursuant to Clause VII of the Schedule IV of the Companies Act, 2013 and Regulation 25 of Listing Regulations, the Independent Directors of the Company are required to hold at least one meeting in a year without the attendance of Non-Independent Directors and Members of Management. All the Independent Directors of the Company shall strive to be present at such meeting.

The Details of the three Independent Directors of the Company are as follows:

Name of Member	Status	Designation
Mr. Gaurav Jain	Chairman	Independent Director
Mr. Gagan Saboo	Member	Independent Director
Mr. Neetesh Kabra	Member	Independent Director

During the year, **One (1)** Meeting of the Independent Directors was convened and held on 01.09.2021.

#### TERMS OF REFERENCE:

- The performance of Non-Independent directors and the Board as a Whole;
- The performance of the Chairperson of the Company, taking into account the views of executive directors and Non-Executive Directors;
- Assess the quality, quantity and timeliness of flow of Information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties;

### 25. DECLARATION OF INDEPENDENCY BY INDEPENDENT DIRECTORS:

There are three Independent Directors on the Board of the Company. Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under section 149(6) and Schedule IV of the Act and Regulation 16 of the SEBI Listing Regulations.

The Independent Directors have also submitted a declaration confirming that they have registered their names in the databank of Independent Directors as being maintained by the Indian Institute of Corporate Affairs (IICA) in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act, and the rules made thereunder and are independent of the management.

None of the independent directors are aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Board of Directors have taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the same and in their opinion, the Independent Directors fulfill the conditions specified in the Act and SEBI Listing Regulations and are independent of the management.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act along with the Code of Conduct for Directors and Senior Management Personnel formulated by the Company as per SEBI Listing Regulations.

### 26. PERFORMANCE EVALUATION

The Nomination and Remuneration Policy of the Company empowers the Nomination and Remuneration committee to formulate a process for effective evaluation of the performance of individual directors, committees of the Board and the Board as a whole.

The Board formally assesses its own performance based on parameters which, inter alia, include performance of the Board on deciding long term strategy, rating the composition and mix of Board members, discharging of governance and fiduciary duties, handling critical and dissenting suggestions, etc.

The parameters for the performance evaluation of the Directors include contribution made at the Board meeting, attendance, instances of sharing best and next practices,

domain, knowledge, vision, strategy, engagement with senior management etc.

The independent directors at their separate meeting review the performance of non – independent directors and the Board as a whole, chairperson of the Company after taking into account the views of Executive director and non – executive directors, the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform the duties.

Based on the outcome of the performance evaluation exercise, areas have been identified for the Board to engage itself with and the same would be acted upon.

## **27. DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to **Section 134 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force)**, the Directors of the Company confirm that:

- (a) In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2022, the applicable Accounting Standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Companies as at 31<sup>st</sup> March, 2022 and of profit and Loss of the Company for the financial year ended 31<sup>st</sup> March, 2022;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Company Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- (d) the annual accounts have been prepared on a “going concern” principal;
- (e) proper internal financial control laid down by the directors were followed by the Companies and that such internal financial controls are adequate and operating effectively; and;
- (f) Proper system to ensure compliance with the provisions of all applicable laws was in place and that such system are adequate and operating effectively.

## **28. MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis as stipulated under the Listing Regulations is presented in a separate section forming part of this Annual Report as **Annexure-5**. It speaks about the overall industry structure, global and domestic economic scenarios, developments in business

operations/performance of the Company's various businesses viz., decorative business, international operations, industrial and home improvement business, internal controls and their adequacy, Risk, threats, outlook etc.

## **29. BUSINESS RESPONSIBILITY STATEMENT**

Your Company has always been at the forefront of voluntary disclosures to ensure transparent reporting on all matters related to the Company's governance and business operations. The report comprehensively covers your Company's philosophy on corporate social responsibility, its sustainability activities pertaining to efforts on conservation of environment, conducting green awareness events, its commitment towards society, enhancing primary education, initiatives and activities taken up as part of this philosophy for the year 2021-22. But since, this report is applicable only on Top 1000 Listed Entities, we are not attaching the report with the Annual Report.

## **30. DETAILS ON INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS**

According to Section 134(5) (e) of the Act, the term 'Internal Financial Control' ('IFC') means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and early detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The Company has established a robust framework for internal financial controls. The Company has in place adequate controls, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information. During the year, such controls were assessed and no reportable material weaknesses in the design or operation were observed. Accordingly, the Board is of the opinion that the Company's internal financial controls were adequate and effective during **FY 2021-22**.

## **31. INSIDER TRADING CODE OF CONDUCT:**

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons and their immediate relatives to formulate a framework and policy for disclosure of events and occurrences that could impact price discovery in the market for its securities as per the requirements under SEBI(Prohibition of Insider Trading) Regulations, 2015. The Code of Conduct has been made



available on the Company's website at [www.nandancreation.com](http://www.nandancreation.com)

### **32. NOMINATION & REMUNERATION POLICY:**

The salient features of the Nomination and Remuneration Policy of the Company are set out in the Corporate Governance Report which forms part of this Annual Report. The said Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment & Re – appointment of Directors on the Board of the Company and persons holding senior management positions in the Company, including their remuneration and other matters as provided under Section 178 of the Act and Listing Regulations. The Policy details are given in Corporate Governance Report.

### **33. OTHER STATUTORY DISCLOSURES**

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has formulated a Whistle Blower Policy and has established Vigil Mechanism for employees including Directors of the Company to report genuine Concerns. The provisions of this policy are in line with the provisions of Section 177(9) of the Act.

The Whistle Blower Policy of the Company is also available on the website of the Company at the link <http://www.nandancreation.com/docs/investors/policies/WHISTLER-BLOWER-POLICY.pdf>.

During the year, no whistle blower event was reported & mechanism is functioning well. Further, no personnel has been denied access to the Audit Committee.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

There are no such significant and material orders passed by the regulators or courts or tribunals, impacting the going concern status and company's operations in future.

#### **PARTICULARS OF EMPLOYEES**

Pursuant to the amendment in the Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a detailed statement is attached as [Annexure-6](#).

Apart from that, there are no Employees in the Company whose particulars are required to be disclosed in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in the report.

The Company is required to give the Disclosure under Schedule V Part II secti2 of the Act. The same is attached in Annexure-6.

#### **RISK MANAGEMENT POLICY**

The Company has framed and implemented a Risk Management Policy to identify the various business risks. This framework seeks to create transparency, minimizes adverse impact on the business objectives and enhances the Company's competitive advantage. The Risk Management Policy defines the risk management approach across the enterprise at various levels including documentation and reporting.

The Risk Management procedure will be reviewed by the Audit Committee and the Board of Directors on time to time basis.

#### **LISTING OF SHARES**

Your Company's shares are listed on the National Stock Exchange of India Limited and the Listing fee for the year 2021-22 has been duly paid.

The Company has obtained the In-principal approval from the Exchange on 17<sup>th</sup> August, 2021 and the Principle/Listing Approval for Migration from SME Platform to Capital Market Segment (Main Board) of the Exchange on 31<sup>st</sup> August, 2021 (Ref. No. NSE/LIST/115). The Equity shares shall be listed and admitted to dealing on the Exchange (capital market Segment) w.e.f. 02<sup>nd</sup> September, 2021.

#### **DEPOSITORY SYSTEM**

As the Members are aware, your Company's shares are trade-able compulsorily in electronic form and your Company has established connectivity with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the depository system, the members are requested to avail the facility of Dematerialization of the Company's shares on NSDL & CDSL. The ISIN allotted to the Company's Equity shares is **INE696V01013**.

#### **HUMAN RESOURCE DEVELOPMENT**

The Company recognizes the importance of Human Resource as a key asset instrumental in its growth. The Company believes in acquisition, retention and betterment of talented team players. With the philosophy of inclusive growth, the Company has further redefined its performance management system. The new system focuses on progression of individual employees together with organizational goals. Under the new system increased thrust will be on job rotation and multi-skilling. HRD activities are taken in the Company involving positive

approach to develop employees to take care of productivity, quality and customer needs. The Company has to make constant efforts to manage labour shortages. To develop skilled labour, training facilities are provided to the employees in house or by deputing them to the machinery suppliers and to training institutes for specific training. The Company has well developed management information system giving daily, monthly and periodical information to the different levels of management. Such reports are being analyzed and effective steps are taken to control the efficiency, utilization, productivity and quality in the Company.

### **34. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is as follows:

1. The Company has no activity involving conservation of energy or technology absorption.
2. There is no foreign exchange earnings and outgo.

### **35. AWARDS AND RECOGNITIONS:**

During the year under review, the Company has received the following awards:

1. We were featured in India D2C Yearbook 2021.
2. We were also featured in Indian Textile Journal, 2021;
3. We have received Gold Seller Status award from Flipkart
4. We have received Gold seller status award from Snapdeal etc

### **36. GREEN INITIATIVES:**

In commitment to keep in line with the Green Initiatives and going beyond it, electronic copy of the Notice of 10<sup>th</sup> Annual General Meeting of the Company including the Annual Report for FY 2021- 22 are being sent to all Members whose e-mail addresses are registered with the Company / Depository Participant(s).

### **37. POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

Your Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various interventions and practices.

The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

In order to prevent sexual harassment of women at work place "The Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013" was notified on 9th December, 2013, under the said Act, every Company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

In terms of the provisions of the Sexual Harassment of Women at the workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company adopted a policy for prevention of Sexual Harassment of Women at workplace and also set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

During the financial year ended 31st March, 2022, the Company did not receive any compliant and no compliant was pending at beginning and at the end of the year.

### **38. CERTIFICATIONS FROM CHIEF FINANCIAL OFFICER/CHIEF EXECUTIVE OFFICER OF THE COMPANY:**

The Company has obtained a Compliance Certificate in accordance with Regulation 17(8) of Listing Regulations from Mr. Dwarka Dass Mundhra, the Chief Financial Officer and Mr. Anuj Mundhra, Chairman and Managing Director of the Company. The Same is forming as [Annexure-7](#) the part of this Annual Report.

The Company has also obtained a Declaration signed by Chief Financial Officer stating that the Members of the Board of Directors and Senior management personnel have affirmed compliance with the code of conduct of Board of Directors and senior management. The Same is forming as [Annexure-7](#) the part of this Annual Report.

### **39. GENERAL DISCLOSURES:**

Other disclosures required as per Companies Act, 2013 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other laws and rules applicable are either NIL or NOT APPLICABLE to the company.

### **40. APPRECIATION**

Your Directors' would like to express their gratitude to the esteemed shareholders for their trust and confidence in the



## BOARD'S REPORT FY 2021-22

management of the Company and will also like to place on record their sincere appreciation for the continued co-operation, guidance, support and assistance extended by our users, bankers, customers, suppliers, local authorities, business associates, government & non-government agencies and various other stakeholders.

The Board of Directors wishes to express its appreciation for the valuable contribution and continued hard work made by each and every member of the Jaipur Kurti Family at all levels, amidst the challenging time. Their dedicated efforts and enthusiasm have been pivotal to your Company's growth

**DATE: JAIPUR**  
**PLACE: 01.09.2022**

**FOR AND ON BEHALF OF NANDANI CREATION LIMITED**

**Sd/-**  
**ANUJ MUNDHRA**  
**MANAGING DIRECTOR**  
**DIN: 05202504**

**Sd/-**  
**VANDANA MUNDHRA**  
**WHOLE-TIME DIRECTOR**  
**DIN: 05202403**

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	<b>Sl. No.</b>	1
2.	<b>Name of the subsidiary</b>	DESI FUSION INDIA PRIVATE LIMITED
3.	<b>The date since when subsidiary was acquired</b>	31.05.2016
4.	<b>Reporting period for the subsidiary concerned, if different from the holding company's reporting period</b>	31 <sup>ST</sup> MARCH, 2022
5.	<b>Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries</b>	INDIAN RUPEES
6.	<b>Share capital</b>	Rs. 50 Lacs
7.	<b>Reserves &amp; surplus</b>	Rs. 91.93 Lacs
8.	<b>Total assets</b>	Rs. 1184.68 Lacs
9.	<b>Total Liabilities</b>	Rs. 1184.68 Lacs
10.	<b>Investments</b>	0
11.	<b>Turnover</b>	Rs. 2519.06 Lacs
12.	<b>Profit before taxation</b>	Rs. 46.94 lacs
13.	<b>Provision for taxation</b>	Rs. 7.38 Lacs
14.	<b>Profit after taxation</b>	Rs. 39.56 Lacs
15.	<b>Proposed Dividend</b>	0
16.	<b>Extent of shareholding (In percentage)</b>	99.99%

Desi Fusion India Private Limited was incorporated on **31.05.2016** and since the incorporation it was the **Wholly-Owned Subsidiary** Company of Nandani Creation Limited.

# ANNEXURE 1

## PART “B”: ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date	--	--	--
2. Date on which the Associate or Joint Venture was associated or Acquired	--	--	--
3. Shares of Associate/Joint Ventures held by the company on the year end	--	--	--
No.	--	--	--
Amount of Investment in Associates/Joint Venture	--	--	--
Extend of Holding (In percentage)	--	--	--
4. Description of how there is significant influence	--	--	--
5. Reason why the associate/joint venture is not consolidated	--	--	--
6. Net worth attributable to shareholding as per latest audited Balance Sheet	--	--	--
7. Profit/Loss for the year	--	--	--
i. Considered in Consolidation	--	--	--
ii. Not Considered in Consolidation	--	--	--

DATE: JAIPUR  
PLACE: 01.09.2022

FOR AND ON BEHALF OF NANDANI CREATION LIMITED

Sd/-  
ANUJ MUNDHRA  
MANAGING DIRECTOR  
DIN: 05202504

Sd/-  
VANDANA MUNDHRA  
WHOLE-TIME DIRECTOR  
DIN: 05202403



## FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

### Details of contracts or arrangements or transactions not at arm's length basis

SN	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
-	-	-	-	-	-	-	-	-

### 2. Details of material contracts or arrangement or transactions at arm's length basis

S N	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	M/s Desi Fusion India Pvt. Limited (Wholly owned subsidiary Company)	Purchase of Goods	12 Months	As per the agreement	30.06.2021	-
	M/s Desi Fusion India Pvt. Limited (Wholly owned subsidiary Company)	Receiving of Services	12Months	As per the agreement	30.06.2021	-
3	M/s Desi Fusion India Pvt. Limited (Wholly owned subsidiary Company)	Sale of Goods	12 Months	As per the agreement	30.06.2021	
	Anuj Mundhra, Chairman & Managing Director	Payment of Remuneration to Managing Director	5 years with effect from August 15, 2021 to August 14, 2026	Rs. 2,70,000/- per month and other perquisites & allowances with increments as may be decided by the Board of Directors from time to time and as mentioned in the Resolution passed	01.09.2021	

## ANNEXURE 2

5	<b>Vandana Mundhra, Whole-Time Director</b>	Payment of Remuneration to Managing Director	5 years with effect from August 15, 2021 to August 14, 2026	Rs. 1,08,000/- per month and other perquisites & allowances with increments as may be decided by the Board of Directors from time to time and as mentioned in the Resolution passed	01.09.2021	
	<b>Sunita Devi Mundhra, Whole-Time Director</b>	Payment of Remuneration to Managing Director	5 years with effect from August 15, 2021 to August 14, 2026	Rs. 72,000/- per month and other perquisites & allowances with increments as may be decided by the Board of Directors from time to time and as mentioned in the Resolution passed	01.09.2021	
7	<b>Vandana Mundhra (Leasing of Brand name "Amaiva")</b>	Rent paid	12 Months	As per the agreement	28.07.2020	

DATE: JAIPUR  
PLACE: 01.09.2022

FOR AND ON BEHALF OF NANDANI CREATION LIMITED

Sd/-  
ANUJ MUNDHRA  
MANAGING DIRECTOR  
DIN: 05202504

Sd/-  
VANDANA MUNDHRA  
WHOLE-TIME DIRECTOR  
DIN: 05202403

## FORM MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

(Pursuant to Section 201, 9(1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

To  
The Members  
M/s Nandani Creation Limited  
G-13, Kartarpura Industrial Area,  
Near 22 Godam, Jaipur-302006,  
Rajasthan

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by “**NANDANI CREATION LIMITED**” (hereinafter called the “company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on March 31, 2022 according to the provisions of:

(i) The Companies Act, 2013 (“the Act”) and Companies Act, 1956 (to the extent applicable) the rules made there under including any re-enactment thereof;

(ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 & 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

(e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) to the extent applicable during the Audit Period;

We have also examined compliance with the applicable clauses of the following:

- I. The Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India;
- II. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above.

We further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

The following Regulations and Guidelines prescribed under The Securities and Exchange Board of India Act, 1992 were, in our opinion, not attracted during the financial year under report;

- (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009;
- (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and



- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

We further report that:

The provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under in relation to External Commercial Borrowings were not attracted during the financial year under report.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the Audit Period.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or consent of all directors were received in writing for shorter board meeting notice consents (if any), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meetings and Committee Meetings are carried by majority as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

#### **Management Responsibility:**

- i. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
- ii. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
- iii. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company or verified compliances of laws other than those mentioned above;

iv. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

v. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;

vi. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Manisha Godara and Associates  
Company Secretaries  
FRN: S2014RJ268900**

**Date: 01-09-2022  
Place: New Delhi**

**Sd/-  
Manisha Godara  
A36531  
CP 13570  
UDIN: A036531D000836572**

## CORPORATE GOVERNANCE REPORT

(In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended))

### NANDANI CREATION'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company strongly believes that establishing good corporate governance practices in each and every function of the organization leads to increased operational efficiencies and sustained long term value creation for all stakeholders. The Company carries its business operations in a fair, transparent and ethical manner and also holds itself accountable and responsible to the society it belongs. The Company considers it absolutely essential to abide by the applicable laws and regulations in letter and spirit and is committed to the highest standards of corporate governance and be considered as a good corporate citizen of the Country.

The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of all its stake holders. The Company is committed to transparency in all its dealings and places emphasis on business ethics.

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing obligations and disclosure Requirements) Regulations, 2015 (Listing Regulations) and the report contains the details of Corporate Governance systems and processes at Nandani Creation Limited.

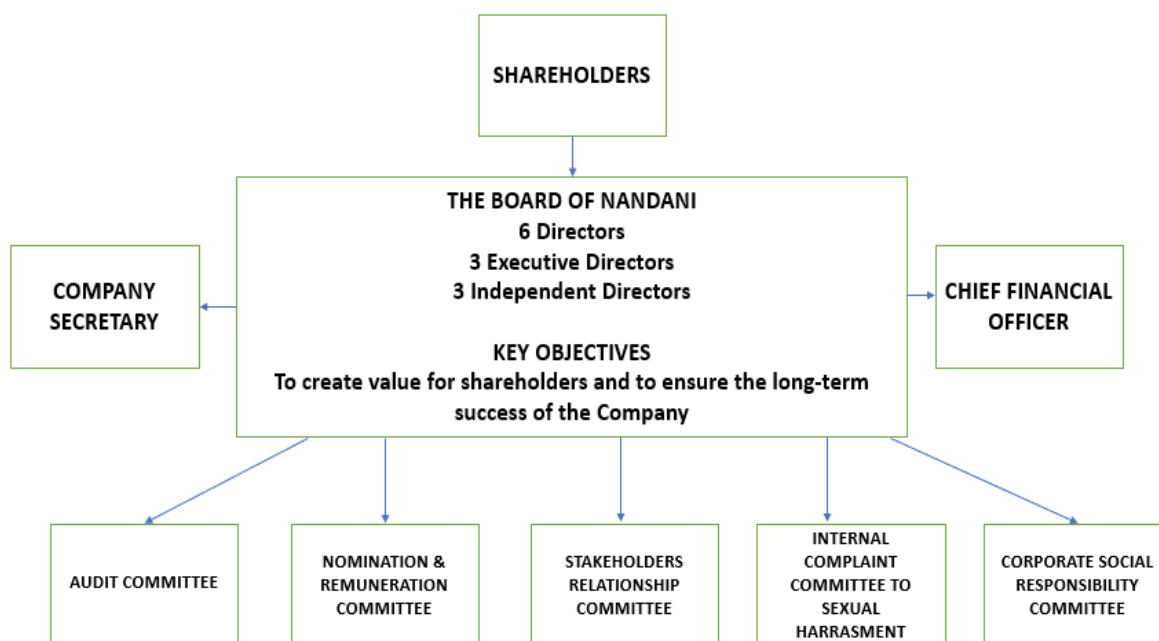
### DATE OF REPORT

The information provided in this Report on Corporate Governance for the purpose of unanimity is as on March 31, 2022. This Report is updated as on the date of the Report wherever applicable.

### GOVERNANCE STRUCTURE AND DEFINED ROLE AND RESPONSIBILITIES

Nandani Creation's governance structure comprises of Board of Directors, committees of the Board and the Management.

### OUR CORPORATE GOVERNANCE FRAMEWORK



## BOARD OF DIRECTORS

The Board of Directors of the Company (the “Board”) has an optimum combination of Executive and Non-Executive Directors and is duly constituted under the Chairmanship of a Executive Director. The Board Members possess adequate qualifications, knowledge, expertise and experience to provide strategic guidance to the Company. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the “Listing Regulations”) mandate that for a company with a Non-Executive Chairman, atleast one-third of the Board should comprise of Independent Directors.

The Board of Directors have the ultimate responsibility of ensuring effective management, long term business strategy, general affairs, performance and monitoring the effectiveness of the Company’s corporate governance practices. The Managing Director & Whole time Directors reports to the Board and is in charge of the management of the affairs of the Company, executing business strategy in consultation with the Board and achieving annual long term business targets. The Managing Director and Whole-Time Directors acts as a link between the Board and the management.

In terms of Listing Regulations, the following skills, expertise and competencies have been identified by the Board of Directors as required in the context of its business and sector for it to function effectively:

- Industry Knowledge
- Leadership & Entrepreneurship
- Business Management
- Financial & Risk Management
- Strategic Planning
- Understanding of Customer Insights in diverse Environment
- Sales, Marketing and Retail

## COMPOSITION OF THE BOARD

The composition and size of the Board is reviewed periodically to ensure an optimum mix of directors with complementary skill sets and varied perspectives for constructive debates facilitating more effective decision making.

As on the date of this report, the Board is comprised of 6 directors, 3 (Three) of which are executive promoter directors & 3(Three) are Independent Directors.

The composition of the Board is in conformity with the requirements of Regulation 17 of the Listing Regulations as well as the Companies Act, 2013 read with the rules issued thereunder.

Sr. No.	Name of Director	Category	Date of Appointment	No. of Other Directorships on (As on 31.03.2022)	Total No. of Committee positions in Mandatory Committees (As on 31.03.2022)		
					Chairman	Member	Total
1.	Mr. Anuj Mundhra DIN: 05202504	Promoter Executive Director	21/02/2012	--	--	1	1
2.	Mrs. Vandana Mundhra DIN: 05202403	Promoter Executive Director	21/02/2012	--	--	1	1
3.	Mrs. Sunita Devi Mundhra DIN: 05203015	Promoter Executive Director	21/02/2012	1	--	--	--
4.	Mr. Gaurav Jain DIN: 00065686	Independent Director	12/08/2016	2	3	--	3
5.	Mr. Neetesh Kabra DIN: 01574553	Independent Director	12/08/2016	--	--	2	2
6.	Mr. Gagan Saboo DIN: 07545038	Independent Director	12/08/2016	--	--	2	2



## ANNEXURE 4

The attendance of each Director at all meetings of Board of Directors and at the last Annual General Meeting held during the FY 2021-22:

NAME OF DIRECTORS						
Date of Board Meetings	Anuj Mundhra	Vandana Mundhra	Sunita Devi Mundhra	Gaurav Jain	Neetesh Kabra	Gagan Saboo
14.06.2021	YES	YES	YES	YES	YES	YES
30.06.2021	YES	YES	YES	YES	YES	YES
01.09.2021	YES	YES	YES	YES	YES	YES
27.09.2021	YES	YES	YES	YES	YES	YES
14.11.2021	YES	YES	YES	YES	YES	YES
09.02.2022	YES	YES	YES	YES	YES	YES
NAME OF DIRECTORS						
Date of Annual General Meeting	Anuj Mundhra	Vandana Mundhra	Sunita Devi Mundhra	Gaurav Jain	Neetesh Kabra	Gagan Saboo
30.09.2021	YES	YES	NO	YES	NO	YES

Leave of absence, if required was obtained by Directors and granted in all cases where sorted and no one has abstained himself/herself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence from the Board. Hence, no one falls under the limit of section 167(1)(b) of the Companies Act, 2013. The necessary quorum was present for all the meetings.

The Board periodically reviews the compliance reports of laws applicable to the Company, as prepared.

### SHAREHOLDING OF BOARD OF DIRECTORS AS ON DATE:

Sr. No.	Name of Director	Shareholding
1.	Mr. Anuj Mundhra	3757125
2.	Mrs. Vandana Mundhra	1976975
3.	Mrs. Sunita Devi Mundhra	1197250
4.	Mr. Gaurav Jain	--
5.	Mr. Neetesh Kabra	--
6.	Mr. Gagan Saboo	--

### DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE:

Following Directors are related to each other:

S. No	Name of Director	Name of Related Director	Relationship
1.	Mr. Anuj Mundhra	Mrs. Vandana Mundhra	Wife
		Mrs. Sunita Devi Mundhra	Mother
2.	Mrs. Vandana Mundhra	Mr. Anuj Mundhra	Husband
		Mrs. Sunita Devi Mundhra	Mother-in-Law
3.	Mrs. Sunita Devi Mundhra	Mr. Anuj Mundhra	Son
		Mrs. Vandana Mundhra	Daughter in law

### INFORMATION PLACED BEFORE THE BOARD:

The Board has complete access to all company – related information. The Company secretary is responsible for collation, review and distribution of all papers submitted to the Board and committees thereof for considerations. The agenda for the meetings is circulated well in advance to the directors to ensure that sufficient time is provided to Directors to prepare for the meeting.

The Company secretary attends all the meetings of the Board and its committees and is, inter alia, responsible for recording the minutes of such meetings. The draft minutes of the Board and its committees are sent to the members for their comments in accordance with the Secretarial Standards. Thereafter, the minutes are entered in the minute's book within 30 (thirty) days of conclusion of the meetings, subsequent to incorporation of the comments, if any, received from the Directors.

The company adheres to the provisions of the Companies Act, 2013 read with the rules issued thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors, its committees and the General meetings of the shareholders of the Company.

The meetings of the Board of directors are generally held in Jaipur. The maximum interval between any 2 (Two) consecutive Board Meetings as well within the maximum allowed gap of 120 (One hundred and twenty) days. The necessary quorum was present for all the meeting.

### EVALUATION OF BOARD:

In terms of the requirement of the Companies Act, 2013 and the listing regulations an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with an aim to improve the effectiveness of the Board and the Committees. During the year, Board Evaluation Cycle was completed by the Company internally which included the evaluation of the Board as a whole, Board Committees. The exercise was led by the Chairman along with the Chairman of the Nomination and Remuneration Committee of the Company. The evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues, etc.

As an outcome of the above exercise, it was noted that the Board as a whole is functioning as a cohesive body which is well engaged with different perspectives. The Board Members from different backgrounds bring about different complementarities that help Board discussions to be rich and value adding. It was also noted that the Committees are functioning well and besides the Committee's terms of reference as mandated by law, important issues are brought up and discussed in the Committee Meetings. The evaluation exercise also suggested that the Board succession planning exercise has been embedded well in the Board processes.

### INDEPENDENT DIRECTORS:

Schedule IV of the Companies Act, 2013 and Secretarial Standard – 1a Meetings of the Board of Directors mandates that the Independent Directors of the Company hold at least one meeting in a year, without the attendance of non – Independent Directors.

### INDEPENDENT DIRECTOR'S DATABANK REGISTRATION:

Pursuant to a notification dated 22nd October, 2019 issued by the Ministry of Corporate Affairs, all independent directors are registered with the Independent Director's Databank.

During the financial year 2021-22, a separate meeting of the Independent Directors was held on 01<sup>st</sup> September, 2021.

The independent directors, inter alia, discussed and reviewed performance of Non – Independent Directors, the Board as a whole, chairman of the Company and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

In order to encourage active participation from the Independent Directors and also to enable them to understand the business environment of the Company, a Familiarization Programme for the Independent Directors has been adopted and implemented.

On and after listing of the shares of your company, pursuant to Regulation 25(7) of the Listing Regulations it was required to form a Familiarization Programme to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. through various programmes.

Such programmes/presentations will provide an opportunity to the Independent Directors to interact with the senior leadership team of the Company and help them to understand the Company's strategy, business model, operations, services and product offerings, organization structure, finances, sales and marketing, human resources, technology, quality of products, facilities and risk management and such other areas as may arise from time to time. The above Programme also includes the familiarization on statutory compliances as a Board member including their roles, rights and responsibilities. The Company also circulates news and articles related to the industry from time to time and provide specific regulatory updates.

The Familiarization programme for Independent Directors in terms of Regulation 25(7) of the Listing Regulations is uploaded on the website of the Company and can be accessed through the following link <https://www.nandanicreation.com/policies.php>.

### **INDEPENDENT DIRECTORS SEPARATED MEETINGS:**

Schedule IV to the Act and the Listing Regulations mandate the Independent Directors to hold atleast one meeting in every financial year, without the attendance of non-independent directors and members of the management. During the financial year ended March 31, 2022, all the Independent Directors met on 01<sup>st</sup> September, 2021, inter alia, to review performance of Non Independent Directors & the Board as a whole, to review performance of the Chairman of the Company and to assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board.

### **DECLARATIONS:**

The Company has received declarations from the Independent Directors that they meet the criteria of Independence laid down under the Companies Act, 2013 and the listing regulations.

The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirms that the Independent Directors fulfil the conditions of Independence specified in the Listing regulations and the Companies Act, 2013 and are independent of the management of the Company

### **CODE OF CONDUCT:**

The Board has adopted a Code of Conduct for the Directors, Key Managerial Personnel, Senior Management Personnel and Functional Heads of the Company. The said Code of Conduct of the Company has been uploaded on the website of the Company at [www.nandanicreation.com](https://www.nandanicreation.com) under the tab "Investor Relations > Company Policies" at <https://www.nandanicreation.com/docs/investors/policies/CODE-OF-CONDUCT-FOR-INDEPENDENT-DIRECTORS.pdf>

### **COMMITTEES OF THE BOARD:**

The Board has promulgated various committees and has delegated specific responsibilities to them. The Committees review items in great detail before they are placed at the Board meetings for consideration. The Committees follow the defined guidelines and established framework for their operations. The terms of reference of the committees are in compliance with the Act and the Listing Regulations. During the financial year ended March 31, 2022, the Board has reconstituted its Committees and also amended the terms of reference of the committees, as applicable, in compliance with the various amendments to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committees are provided, on a timely basis, with requisite information and detailed agenda papers, together with necessary supporting papers, as required. The details of various committees, including composition, are given below:

In terms of the Listing Regulations, the Board of the Company has constituted the following Committees: -

- Audit Committee;
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee;



## ANNEXURE 4

NAME OF COMMITTEE	EXTRACT OF TERMS OF REFERENCE	CATEGORY & COMPOSITION		MEETINGS & ATTENDANCE
		NAME	CATEGORY	
AUDIT COMMITTEE	Appoints the independent auditor and oversees the auditing process;	Mr. Gaurav Jain	CHAIRMAN	6 Meetings Held during the FY 2021-22 on the following dates 14.06.2021 30.06.2021 01.09.2021 27.09.2021 14.11.2021 09.02.2022
	Ensures legal and regulatory compliances including the effective implementation of the code of conduct;	Mr. Gagan Saboo	MEMBER	
	Ensures the integrity, accuracy and adequacy of accounting records;	Mr. Neetesh Kabra	MEMBER	
	Reviews the business contingency planning process within the group.			All the directors were present in every meetings
NOMINATION & REMUNERATION COMMITTEE	Prepares and recommends governance principles applicable to the group;	Mr. Gaurav Jain	CHAIRMAN	1 Meeting Held during the FY 2021-22 on the following dates 01.09.2021
	Keeps abreast of best corporate practices;	Mr. Gagan Saboo	MEMBER	
	Evaluate the effectiveness and qualifications of the Board and its committees;	Mr. Neetesh Kabra	MEMBER	
	Responsible for Director's succession planning;			All the directors were present in every meetings
	Develops and recommends to the Board criteria for the selection of Directors and senior management			
	Details of policy of Nomination and Remuneration committee are given below			
STAKEHOLDERS RELATIONSHIP COMMITTEE	Consider and resolve the grievances of security holders.	Mr. Gaurav Jain	CHAIRMAN	1 Meeting Held during the FY 2021-22 on the following dates 01.09.2021
	Consider and approve issue of share certificates, transfer and transmission of securities, etc.	Mr. Anuj Mundhra	MEMBER	
	Redressal of serious complaints received from shareholders/investors on non-receipt of shares after transfer in the physical form, complaints on Non-receipt of annual report, Non receipt of declared dividends etc.	Mrs. Vandana Mundhra	MEMBER	All the directors were present in every meetings 01.09.2021
	Set forth the policies relating to and to oversee the implementation of Policy for Prevention of Insider Trading and to review the concerns received under the Nandani 's Code of Conduct			

## REMUNERATION OF DIRECTORS:

The details of remuneration paid to the Executive and Non-Executive Directors during the FY 2021-22 are as follows:

NAME OF DIRECTOR	SALARY	ALLOWANCES & PERQUISITES	CONTRIBUTION TO PF	SITTING FEES	TOTAL
Mr. Anuj Mundhra	32,67,000	--	--	--	32,67,000
Mrs. Vandana Mundhra	11,88,000	--	--	--	11,88,000
Mrs. Sunita Devi Mundhra	7,92,000	--	--	--	7,92,000
Mr. Gagan Saboo	--	--	--	--	--
Mr. Gaurav Jain	--	--	--	--	--
Mr. Neetesh Kabra	--	--	--	--	--
<b>TOTAL</b>					<b>52,47,000</b>

## CRITERIA OF MAKING PAYMENTS TO NON- EXECUTIVE DIRECTORS:

The Board decides on the remuneration of the Non-Executive Directors in accordance with the provisions of the Articles of Association of the Company and with the approval of the Members of the Company. Such remuneration are also in line with the Nomination and Remuneration Policy of the Company and in terms of the specific requirements under the Act and the Listing Regulations.

Non-Executive Independent Directors do not accept sitting fees and / or Commission on Net Profits of the Company. The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors during the year under review. As on March 31, 2022, none of the Non-Executive Directors of the Company held any equity shares or any convertible instruments of the Company.

The Sitting Fee was paid to the Non- Executive Directors within limits approved by the Board of Directors.

Further, in terms of the revised Nomination and Remuneration Policy, read together with the MCA Notifications dated March 18, 2021 and the Companies (Amendment) Act, 2020, if, in any financial year, the Company has no profits or its profits are inadequate, the Company shall be entitled to pay remuneration exclusive of any Sitting Fee, to any of its Non-Executive Director, including an Independent Director in accordance with the provisions of Schedule V of the Act

## SERVICE CONTRACTS, NOTICE PERIOD, SEVERANCE FEES:

The appointment of the Executive Directors are governed by Resolutions passed by the Shareholders of the Company, which covers the terms and conditions of such appointment, read with the service rule of the Company. A separate service contract is not entered into by the Company with Executive Directors

## STOCK OPTION DETAILS:

The Company does not have any stock option scheme.

## NOMINATION & REMUNERATION POLICY OF THE COMPANY:

The Nomination & Remuneration Policy of the Company is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The Policy emphasize on promoting talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. The policy reflects the Company's objectives for good corporate governance as well as sustained long term value creation for shareholders.

The Remuneration Policy applies to Directors, Senior Management Personnel including its Key Management Personnel (KMPs) and other employees of the Company. When considering the appointment and remuneration of Whole-time Directors, the

Nomination and Remuneration Committee inter-alia considers pay and employment conditions in the industry, merit and seniority of person and the paying capacity of the Company. Remuneration of KMPs and senior management personnel is decided by the Managing Director. The remuneration to other employees is fixed as per principles outlined above

The guiding principle is that the remuneration and the other terms of employment should effectively help in attracting and retaining committed and competent personnel. While designing remuneration packages, industry practices and cost of living are also taken into consideration.

## **COMPLIANCE OFFICER:**

As on March 31, 2022, Ms. Gunjan Jain, Company Secretary was the Compliance Officer of the Company.

## **DETAILS OF SHAREHOLDERS' COMPLAINTS:**

In compliance with the requirements of SEBI Circular No. CIR/OIAE/2/2011 dated June 3, 2011, the Company has obtained exclusive User Id and Password for processing the investor complaints in a centralized web based SEBI Complaints Redress System - 'SCORES'. This enables the investors to view online the actions taken by the Company on their complaints and current status thereof, by logging on to the SEBI's website [www.sebi.gov.in](http://www.sebi.gov.in)

No shareholder complaints were lying unresolved as on March 31, 2022 under 'SCORES'. It is confirmed that there was no request for registration of share transfers / transmissions lying pending as on March 31, 2022 and that all requests for issue of new certificates, sub-division or consolidation of shareholdings, etc., received upto March 31, 2022 have since been processed. The Company has an efficient system in place to record and process all requests for dematerialization and re-materialization of shares of the Company through National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL).

## **GENERAL BODY MEETINGS:**

### **ANNUAL GENERAL MEETING:**

The location, time and resolutions passed in the Annual General Meetings held in last 3 years are given below:

ACCOUNTING YEAR	Date	Location	Items Approved by Special Resolution
2020-21	30.09.2021 AT 3:00 P.M.	Through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")	<ul style="list-style-type: none"> <li>• RE-APPOINTMENT OF MR. ANUJ MUNDHRA (DIN: 05202504), AS CHAIRMAN AND MANAGING DIRECTOR (KEY MANAGERIAL PERSONNEL) OF THE COMPANY.</li> <li>• RE-APPOINTMENT OF MRS. VANDANA MUNDHRA (DIN: 05202403), AS WHOLE-TIME DIRECTOR (KEY MANAGERIAL PERSONNEL) OF THE COMPANY.</li> <li>• RE-APPOINTMENT OF MRS. SUNITA DEVI MUNDHRA (DIN: 05203015), AS WHOLE-TIME DIRECTOR (KEY MANAGERIAL PERSONNEL) OF THE COMPANY.</li> <li>• RE-APPOINTMENT OF MR. GAGAN SABOO (DIN: 07545038), AS AN INDEPENDENT DIRECTOR</li> <li>• RE-APPOINTMENT OF MR. GAURAV JAIN (DIN: 00065686), AS AN INDEPENDENT DIRECTOR</li> <li>• RE-APPOINTMENT OF MR. NEETESH KABRA (DIN: 01574553), AS AN INDEPENDENT DIRECTOR</li> <li>• APPROVAL OF PAYMENT OF REMUNERATION TO EXECUTIVE DIRECTORS WHO ARE PROMOTERS OR MEMBERS OF THE PROMOTER GROUP IN TERMS OF REGULATION 17(6)(e) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) (AMENDMENT) REGULATIONS, 2018</li> </ul>
2019-20	28.09.2020 AT 3:00 P.M.	Through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")	<ul style="list-style-type: none"> <li>• TO RE-APPOINT M/S ASHOK HOLANI &amp; COMPANY (CHARTERED ACCOUNTANTS) AS THE STATUTORY AUDITORS OF THE COMPANY FROM THE CONCLUSION OF THIS ANNUAL GENERAL MEETING TILL THE CONCLUSION OF THE 13TH ANNUAL</li> </ul>



## ANNEXURE 4

			<p>GENERAL MEETING AND IN THIS REGARD, PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION</p> <ul style="list-style-type: none"> <li>• TO ALTER THE OBJECT CLAUSE OF MEMORANDUM OF ASSOCIATION BY WAY OF INSERTION OF NEW CLAUSE IN THIS REGARD, PASS THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION</li> <li>• TO CONSIDER AND APPROVE THE PAYMENT OF REMUNERATION TO MR. ANUJ MUNDHRA, CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY FOR A FURTHER PERIOD OF 1 (ONE) YEAR W.E.F. 01.04.2020 OF HIS PRESENT TENURE AND IF THOUGHT FIT, PASS THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION</li> </ul>
2018-19	30.09.2019 AT 3:00 P.M.	Registered Office	<ul style="list-style-type: none"> <li>• TO APPROVE CONTINUATION OF PAYMENT OF REMUNERATION TO EXECUTIVE DIRECTORS WHO ARE PROMOTERS OR MEMBERS OF THE PROMOTER GROUP IN EXCESS OF THRESHOLD LIMITS AS PRESCRIBED UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) (AMENDMENT) REGULATIONS, 2018. [SEBI (LODR) (AMENDMENT) REGULATIONS, 2018]:</li> </ul>

### EXTRA ORDINARY GENERAL MEETING:

During the FY 2021-22, the details of the Extra Ordinary General Meeting held is as follows:

ACCOUNTING YEAR	Date	Location	Items Approved by Special Resolution
2020-21	20.01.2021 AT 4:00 P.M.	VIDEO CONFERENCE (VC)/OTHER AUDIO VISUAL MEANS (OAVM)	<ul style="list-style-type: none"> <li>• INCREASE THE AUTHORISED SHARE CAPITAL OF THE COMPANY TO ENABLE FURTHER ISSUE OF SHARES AND ALTER THE CAPITAL CLAUSE OF THE "MEMORANDUM OF ASSOCIATION" OF THE COMPANY</li> <li>• TO APPROVE RAISING OF FUNDS IN ONE OR MORE TRanches, BY ISSUANCE OF SECURITIES BY WAY OF PRIVATE OFFERINGS, QUALIFIED INSTITUTIONS PLACEMENT(S) AND/OR ANY COMBINATION THEREOF OR ANY OTHER METHOD AS MAY BE PERMITTED UNDER APPLICABLE LAW</li> </ul>

### POSTAL BALLOT:

No resolution was passed during the financial year ended March 31, 2022 through Postal Ballot under Section 110 of the Companies Act, 2013 and Rules framed thereunder.

The Company does not propose to conduct any special resolution through Postal Ballot under Section 110 of the Act and Rules framed thereunder on or before the forthcoming AGM

### MEANS OF COMMUNICATIONS:

The company promptly discloses information on material corporate developments and other events as required under Listing Regulations. Such timely disclosures indicate the good corporate governance practices of the Company. For this purpose, it provides multiple channels of communications through dissemination of information on the on – line portal of the Stock Exchanges, press releases, the Annual Reports and by placing relevant information on its website.

### QUARTERLY RESULTS:

Prior intimation of the Board Meetings to consider and approve Unaudited / Audited Financial Results of the Company are given to the Stock Exchanges and also disseminated on the website of the Company at [www.nandanicreation.com](http://www.nandanicreation.com). After the aforesaid Financial Results are approved at the Board Meetings, the same are immediately intimated to the Stock Exchanges. The Annual Audited Financial Statements of the Company were sent to the Members of the Company in the prescribed manner in terms of

the Act, the Rules made thereunder, and the Listing Regulations read together with the circulars issued thereunder including MCA General Circulars No. 14/2020, No. 17/2020, No. 20/2020, No. 02/2021 and No. 2/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021 and May 5, 2022 respectively read with SEBI Circulars No. SEBI/HO/CFD/CMD1/CIR/P/2020/79, No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 and No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 12, 2020, January 15, 2021 and May 13, 2022 respectively.

## PUBLICATION OF FINANCIAL INFORMATION:

The Financial Results of the Company are normally published in widely circulated daily newspapers, such as, “Financial Express” (English) and “Nafa Nuksaan” (Hindi).

## WEBSITE AND NEWS RELEASES:

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under ‘investor relation’ on the Company’s website gives information on various announcement made by the Company, Annual reports, quarterly/half yearly/ Nine – months and Annual financial results along with the applicable policies of the Company. The Company’s official new releases and presentations made to the institutional investors and analyst are also available on the Company’s website <https://www.nandanicreation.com>. Quarterly compliance reports and other relevant information of interest to the investors are also placed under the Investor Relation sections on the Company’s website.

## PRESS/NEWS RELEASES:

Official Press Releases including Press Release on Financial Results of the Company are sent to the Stock Exchanges and the same are subsequently hosted on the website of the Company

## STOCK EXCHANGE:

The Board of Directors has approved a policy for determining materiality of events for the purpose of making disclosure to the stock exchanges. The Managing director and the CFO & Company Secretary are empowered to decide on the materiality of information for the purpose of making disclosures to the stock exchanges. The Company makes timely disclosures of necessary information to National Stock Exchange of India Limited (NSE) in terms of the Listing regulations and other applicable rules and regulations issued by the SEBI.

## NEAPS (NSE ELECTRONIC APPLICATION PROCESSING SYSTEM)/ NEW DIGITAL PORTAL:

NEAPS is a web based application designed by NSE for corporates. All periodical compliances filings, inter alia, shareholding pattern, corporate governance report, corporate announcements, amongst others, are in accordance with the listing regulations, the disclosures made to the stock exchanges, to the extent possible, are in a format that allows users to find relevant information easily through a searching tools.

## PRACTICING COMPANY SECRETARY CERTIFICATE ON CORPORATE GOVERNANCE:

As required by the SEBI Listing Regulations, the compliance certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance is annexed to the Corporate Governance Report.

The Company has also obtained a Certificate from **MANISHA GODARA & ASSOCIATES**, Practicing Company Secretary, Delhi confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI and Ministry of Corporate Affairs or any such authority and the same forms part of the Annual Report.

## GENERAL SHAREHOLDER INFORMATION:

<b>Corporate Identity Number (CIN)</b>	L18101RJ2012PLC037976
<b>Registered Office</b>	G-13, Kartarpura Industrial Area, Near 22 Godam, Jaipur-302006, Rajasthan
<b>Website/Email</b>	WEBSITE: <a href="http://www.nandanicreation.com">www.nandanicreation.com</a> E MAIL: <a href="mailto:info@jaipurkurti.com">info@jaipurkurti.com</a>
<b>Date, time and venue of Annual General Meeting</b>	The ensuing AGM of the Company will be held on Friday, 30 <sup>th</sup> day of September, 2022 at 3:00 PM
<b>Financial Calendar</b>	April-March
<b>Financial reporting for the quarter ending 30th June, 2022</b>	By Mid-August, 2022

## ANNEXURE 4

<b>Financial reporting for the quarter/half year ending 30th September, 2022</b>	By mid-November 2022
<b>Financial reporting for the quarter ending 31st December, 2022</b>	By mid-February 2023
<b>Financial reporting for the year ending 31st March, 2023</b>	By mid-May 2023
<b>Dividend Payment Date</b>	NA
<b>Date of Book Closing</b>	Friday, 23rd September, 2022 to Friday, 30th September, 2022 (both days inclusive).
<b>Depositories</b>	NSDL Address: Trade World, A wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400013 CDSL Address: Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai 400013 Payment of Depository Fees: Annual Custody/Issuer fees is being paid by the Company within the due date based on invoices received from the Depositories.
<b>International Securities Identification Number (ISIN)</b>	INE696V01013
<b>Name and address of Stock Exchanges at which the Company's securities are listed:</b>	National Stock Exchange of India Ltd. Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400051. Tel No: (022) 26598100 – 8114. The Company has paid the requisite Annual Listing Fees to the Stock Exchanges for the financial year 2020-21.
<b>Stock Codes:</b>	NSE: JAIPURKURT
<b>Registrar &amp; Share Transfer Agents (RTA):</b>	Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opposite Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400 059; Tel.: (022) 62638200/02 Email id: <a href="mailto:admission@bigshareonline.com">admission@bigshareonline.com</a> Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

### **MARKET PRICE DATA: MONTH WISE HIGH, LOW OF THE COMPANY'S EQUITY SHARES DURING THE FINANCIAL YEAR 2021-2022 AT NSE ARE GIVEN BELOW**

MONTH	HIGH PRICE	LOW PRICE	VOLUME (IN NO. OF SHARES)
April	28.90	21.70	180000
May	31.70	28.70	90000
June	41.50	28.65	450000
July	41.00	33.45	260000
August	77.45	40.00	590000
September	75.95	53.55	1304806
October	64.15	47.05	442131
November	77.10	45.15	643712
December	110.35	68.25	1043511
January	101.30	69.50	296694
February	86.95	66.50	177483
March	73.40	52.60	169868

None of the Company's securities have been suspended from trading.



## SHARE TRANSFER SYSTEM:

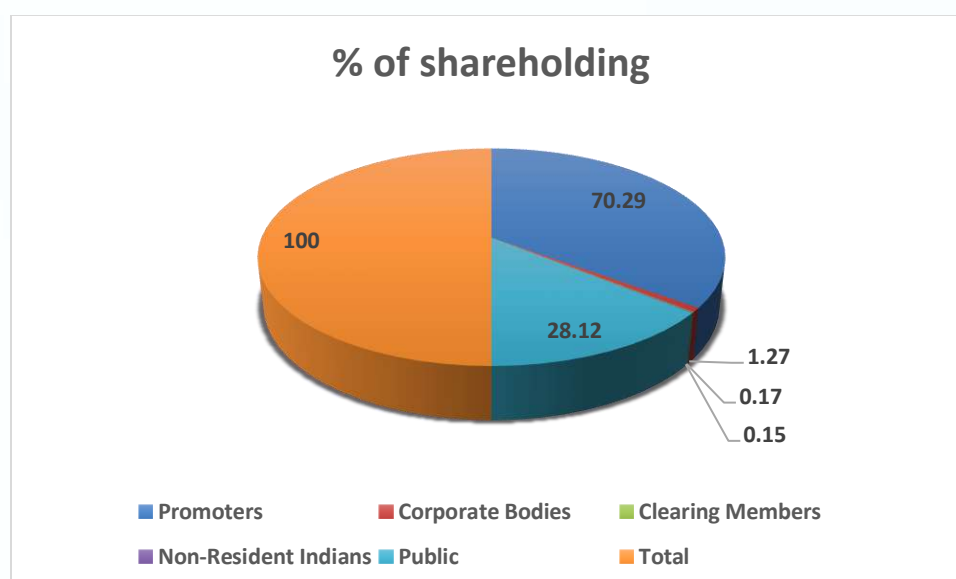
In terms of the Circular bearing Ref. No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and further amendment vide Circular bearing Ref. No. SEBI/ LAD-NRO/GN/2018/49 dated 30th November, 2018, both issued by Securities and Exchange Board of India, with effect from 1st April, 2019, the requests for effecting transfer of securities held in physical form (except in case of transmission or transposition of securities) are not to be processed. Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

The requests for transmission or transposition of securities held in physical form are registered and returned within a period of 15 days from the date of receipt in case the documents are complete in all respects. The same are placed for consideration of the Stakeholders' Relationship Committee. Further, particulars of movement of shares in the dematerialized form are also placed before the Stakeholders' Relationship Committee

## DISTRIBUTION OF SHAREHOLDINGS AS ON 31st MARCH, 2022:

SHAREHOLDING OF NOMINAL	NUMBER OF SHAREHOLDERS	PERCENTAGE OF TOTAL	SHARE AMOUNT	PERCENTAGE OF TOTAL
RS.	RS.		RS.	
1	5000	1272	1217830	1.2137
5001	10000	100	790370	0.7877
10001	20000	63	918520	0.9154
20001	30000	27	710960	0.7086
30001	40000	13	460850	0.4593
40001	50000	28	1371690	1.3670
50001	100000	32	2578490	2.5698
100001	ABOVE	53	92290790	91.9785
<b>TOTAL</b>	<b>1588</b>	<b>100.00</b>	<b>10033950</b>	<b>100</b>

Category of Shareholders	No of shares held	% of shareholding
Promoters	7053200	70.29
Corporate Bodies	127241	1.27
Clearing Members	17385	0.17
Non-Resident Indians	15468	0.15
Public	2820656	28.12
Alternate Investment Fund	--	--
<b>Total</b>	<b>10033950</b>	<b>100.00</b>



## DEMATERIALIZATION OF SHARES AND LIQUIDITY:

As on 31st March, 2022 Company is listed on NSE Exchange. 99.99 %of the paid-up share capital of the Company is in dematerialized forms, except the shares of 500 Number of Equity Shares.

## OUTSTANDING GDRS / ADRS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND ANY LIKELY IMPACT ON EQUITY:

N.A.

## COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

With reference to Circular bearing Ref. No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15th November, 2018 issued by Securities and Exchange Board of India, on disclosures regarding commodity risks by listed entities, the Company is actively working on mitigating commodity risks and foreign exchange risks.

## COMMODITY RISK:

The Company procures certain raw materials which are derivatives of various commodities, from vendors. The Company does not undertake any commodity hedging activities on any exchange. It benchmarks its raw material prices based on international forecasts and local price trends and accordingly devices its cover strategy that ensures that Company's interests are protected despite volatility in prices.

## FOREIGN EXCHANGE RISK:

The Company is exposed to the risks associated with fluctuations in foreign exchange rates mainly on import of raw materials. It has a well-structured foreign exchange risk management policy. The Company actively monitors the foreign exchange movements and takes forward covers as appropriate to reduce the risks associated with transactions in foreign currencies. Please refer to Note No. 43(d)(i) of Notes to the Standalone Financial Statements towards exposure to currency risk.

## DIVIDEND:

NA

## PLANT LOCATIONS:

The Company's plants, which are operative, are located at:

1. G-13, Kartarpura Industrial area, Near 22 Godam, Jaipur-302006, Rajasthan
2. G-3A, Kartarpura Industrial area, Near 22 Godam, Jaipur-302006, Rajasthan
3. G-21A, Kartarpura Industrial area, Near 22 Godam, Jaipur-302006, Rajasthan

## OTHER DISCLOSURE:

1. There were no materially significant related party transactions during the year.
2. The Board has received disclosures from senior management relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.
3. There was no non-compliance during the year by the Company on any matter related to Capital Market. There were no penalties imposed on the Company by the Stock Exchanges, Securities and Exchange Board of India or any statutory authority.
4. The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees and Directors to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics policy. The said policy has been posted on the Company's website. The Company affirms that no personnel have been denied access to the Audit Committee of Directors.
5. All mandatory requirements as per Listing Regulations have been complied with by the Company.
6. Disclosure of instances along with the reasons, where the Board of Directors had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the financial year 2021-22:  
There was no instance during the financial year 2021-22, where the Board of Directors did not accept the recommendation of any Committee of the Board which it was mandatorily required to accept.
7. Total fees for all services paid by the Company, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part:

## ANNEXURE 4

Total fees for all services paid by the Company, to M/s Ashok Holani & Company (Statutory Auditor of the Company) and other firms in the network entity of which the Statutory Auditor is a part, as included in the consolidated financial statements of the Company for the year ended 31st March, 2022, are as follows:

	(Amount in lacs)
<b>Fees for audit and related services paid to M/s Ashok Holani &amp; Company</b>	<b>4.00 Lacs</b>
<b>Other Services</b>	<b>--</b>

### 8. Disclosures with respect to demat suspense account/ unclaimed suspense account

- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; NIL
- Number of shareholders who approached listed entity for transfer of shares from suspense account during the year; NIL
- Number of shareholders to whom shares were transferred from suspense account during the year; NIL
- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; NIL
- That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. NIL

### 9. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- Number of complaints filed during the financial year 2021-22: Nil
- Number of complaints disposed of during the financial year 2021-22: Nil
- Number of complaints pending as on end of the financial year 2021-22: Nil

Particulars	Regulations	Details	Website
Related Party Transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Companies Act, 2013.	No material significant transactions that may have potential conflict with the interests of the Company have occurred during the financial year 2020-21. The policy on dealings & materiality of related party transactions placed on the website of the company.	<a href="https://www.nandanicreation.com/policies.php">https://www.nandanicreation.com/policies.php</a>
Details of Non-compliance by the Company, penalty, strictures imposed on the Company by the Stock Exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets	Schedule V Part C Point 10(b) to the SEBI (LODR) Regulations, 2015.	The Company has complied with the requirements of the Stock Exchanges/ SEBI and other statutory authorities as applicable. No penalty or strictures were imposed on the Company by these authorities.	N.A
Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI (LODR) Regulations, 2015.	The Company has adopted a Vigil Mechanism and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. The said policy has been uploaded on the website of the Company.	<a href="https://www.nandanicreation.com/policies.php">https://www.nandanicreation.com/policies.php</a>
Policy on Archival and Preservation of Documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted a Policy on Archival and Preservation of Documents.	<a href="https://www.nandanicreation.com/policies.php">https://www.nandanicreation.com/policies.php</a>
Details of compliance with the mandatory requirements and adoption of non-	Regulation 27(1) as specified in Part E of Schedule II of SEBI (LODR) Regulations, 2015.	The Company has complied with all mandatory requirements and The Company has also adopted few non-mandatory requirements listed in	<a href="https://www.nandanicreation.com/policies.php">https://www.nandanicreation.com/policies.php</a>

mandatory requirements of SEBI (LODR) Regulations, 2015, relating to Corporate Governance		Regulation 27(1) as specified in Part E of Schedule II of the SEBI Listing Regulations.	
Accounting Treatment and Compliance with Accounting Standards	Companies (Indian Accounting Standards (IND AS) Rules, 2015 under Section 133 of the Companies Act, 2013.	<p>The Company has followed and prepared the Financial Statements in accordance with the Indian Accounting Standards (IND AS).</p> <p>The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.</p>	----
MD & CFO Certification	Part B of Schedule II of SEBI Listing Regulations	<p>The Managing Director and the Chief Financial Officer have certified to the Board and have issued certificate, certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs for the Financial Year ended 31st March, 2020.</p> <p>The Said Certificate is enclosed with the Annual report and annexed as Annexure-I to the Corporate Governance Report.</p>	ENCLOSED
Code of Conduct	Para D of Schedule V of SEBI (LODR) Regulations, 2015.	<p>In compliance with Regulation 26(3) of the Listing Regulations and the Companies Act, 2013, adopted, framed a Code of Conduct and posted on the website of the company.</p> <p>The Code is applicable to the members of Board, the executive officers and all employees of the Company.</p> <p>Declaration of code of conduct is given as below Table</p>	<a href="https://www.nandanicreation.com/policies.php">https://www.nandanicreation.com/policies.php</a>
*Prevention of Insider Trading	SEBI (Prohibition of insider trading) Regulations, 2015.	<p>The board has laid down Code of Conduct for insider trading in Compliance with regulation;</p> <p>All the directors and Senior Management Personnel who are expected to have access to Unpublished Price Sensitive Information concerning the Company, is responsible for adherence to this code.</p>	<a href="https://www.nandanicreation.com/policies.php">https://www.nandanicreation.com/policies.php</a>



## **DECLARATION**

**(Pursuant to Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

I, **Mr. Anuj Mundhra, Chairman cum Managing Director** of the Company, do hereby declare that all the Board members and senior management personnel of the Company affirmed compliance with the code of conduct, adopted by the Company, for the Board of Directors and Senior Management of the Company.

**PLACE: JAIPUR  
DATED: 01.09.2022**

**Sd/-  
ANUJ MUNDHRA  
DIN: 05202504  
CHAIRMAN & MANAGING DIRECTOR**

## **ANNEXURE “I” TO THE CORPORATE GOVERNANCE REPORT**

This is to certify to the Board of Directors that;

- A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2022 and that to the best of our knowledge and belief:
- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii. these statements together present a true and fair view of Nandani Creation Limited affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Nandani Creation Limited during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee
- (i) Significant changes in internal control over financial reporting during the year.
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements. And
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Jaipur  
Dated: 01.09.2022

**Sd/-**  
**Anuj Mundhra**  
**DIN: 05202504**  
**Chairman & Managing Director**

**Sd/-**  
**Dwarka Dass Mundhra**  
**PAN: AGAPM0343C**  
**Chief Financial Officer**

## **CEO AND CFO CERTIFICATION IN RESPECT OF FINANCIAL STATEMENTS AND CASH FLOW STATEMENT**

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2022)

To,  
The Board of Directors  
Nandani Creation Limited

We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended March 31, 2022 and we hereby certify and confirm to the best of our knowledge and belief the following:

- The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations;
- There are no transactions entered in to by the Company during the year ended March 31, 2022 which are fraudulent, illegal or violative of Company's Code of Conduct.
- We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same.
- There have been no significant changes in the above-mentioned internal controls over financial reporting during the financial year 2021-22.
- That there have been no significant changes in the accounting policies during the financial year 2021-22 except few as already mentioned in the Auditors Report and Notes to Financial Statements.
- We have not noticed any significant fraud particularly those involving the management or an employee having a significant role in the Company's internal control system over Financial Reporting.

Place: Jaipur  
Dated: 01.09.2022

Sd/-  
Anuj Mundhra  
DIN: 05202504  
Chairman & Managing Director

Sd/-  
Dwarka Dass Mundhra  
PAN: AGAPM0343C  
Chief Financial Officer

## **ANNEXURE “II” TO THE CORPORATE GOVERNANCE REPORT INDEPENDENT AUDITOR’S CERTIFICATE ON CORPORATE GOVERNANCE**

**TO THE MEMBERS OF  
NANDANI CREATION LIMITED  
G-13, KARTARPURA INDUSTRIAL AREA,  
NEAR 22 GODAM, JAIPUR-302006,  
RAJASTHAN**

We have examined the compliance of conditions of corporate governance by Nandani Creation Limited (“the Company”) for the year ended on March 31, 2022, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned Listing Regulations.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**PLACE: JAIPUR  
DATED: 01.09.2022**

**FOR MANISHA GODARA & ASSOCIATES  
COMPANY SECRETARIES**

**Sd/-  
CS MANISHA GODARA  
M.No.: A36531  
CP No.: 13570  
UDIN: A036531D000836539**



## **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

For the Financial Year ended March 31, 2022

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members  
Nandani Creation Limited  
G-13, Kartarpura Industrial Area, Near 22 Godam,  
Jaipur-302006, Rajasthan

Dt.: 01.09.2022

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Nandani Creation Limited** having CIN: **L18101RJ2012PLC037976** and having registered office at **G-13, Kartarpura Industrial Area, Near 22 Godam, Jaipur-302006, Rajasthan** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para- C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl.No.	Name of Director	DIN	DESIGNATION	DATE OF APPOINTMENT
1.	Mr. Anuj Mundhra	05202504	CHAIRMAN & MANAGING DIRECTOR	21/02/2012
2.	Mrs. Vandana Mundhra	05202403	WHOLE-TIME DIRECTOR	21/02/2012
3.	Mrs. Sunita Devi Mundhra	05203015	WHOLE-TIME DIRECTOR	21/02/2012
4.	Mr. Gagan Saboo	07545038	INDEPENDENT DIRECTOR	12/08/2016
5.	Mr. Gaurav Jain	00065686	INDEPENDENT DIRECTOR	12/08/2016
6.	Mr. Neetesh Kabra	01574553	INDEPENDENT DIRECTOR	12/08/2016

Ensuring the eligibility of, for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR MANISHA GODARA & ASSOCIATES  
COMPANY SECRETARIES

Sd/-  
CS MANISHA GODARA  
M.No.: A36531  
CP No.: 13570  
UDIN: A036531D000836528

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. INDIAN ECONOMIC OVERVIEW

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries.

The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector at the other end. The decentralized power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.

India's textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country. The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. India is the world's largest producer of cotton. Estimated production stood at 362.18 lakh bales during cotton season 2021-22. Domestic consumption for the 2021-22 cotton season is estimated to be at 338 lakh bales. Production of fibre in India reached 2.40 MT in FY21 (till January 2021), while for yarn, the production stood at 4,762 million kgs during same period. India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. Exports of readymade garments including cotton accessories stood at US\$ 6.19 billion in FY22.

#### MARKET SIZE



The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 3.99 billion from April 2000-March 2022. Home textile companies in India are also leveraging strategic partnerships to strengthen their business operations and foothold in the country.

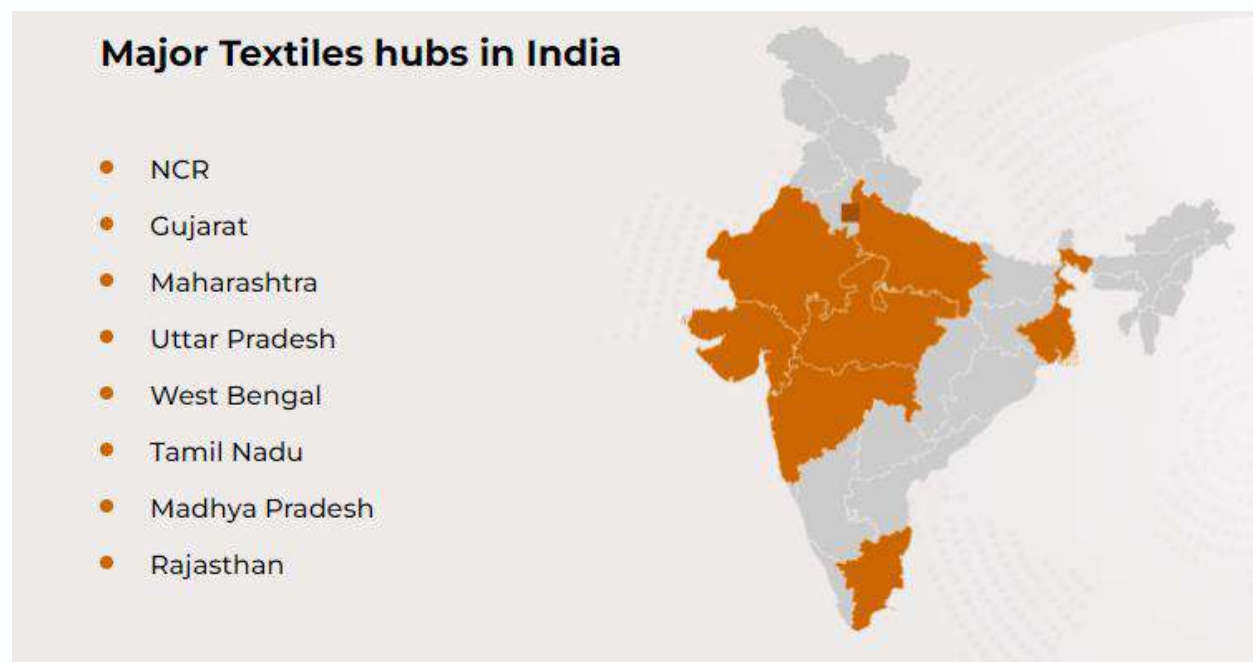
The Indian government has come up with several export promotion policies for the textiles sector. It has also allowed 100% FDI in the sector under the automatic route.

## 2. TEXTILES & APPAREL INDUSTRY OVERVIEW:

India is the world's second-largest producer of textiles and garments. It is also the fifth-largest exporter of textiles spanning apparel, home and technical products. The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk and wool to synthetic/man-made fibres like polyester, viscose, nylon and acrylic. The textiles and apparel industry contribute 2.3% to the country's GDP, 13% to industrial production and 12% to exports. Around 45 million people are working in the textile business, including 3.5 million people who work on handlooms. The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. The Indian apparel market stood at US\$ 40 billion in 2020 and is expected to reach US\$ 135 billion by 2025. India enjoys a comparative advantage in terms of skilled manpower and in cost of production relative to other major textile producers. India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. Exports of readymade garments including cotton accessories stood at US\$ 6.19 billion in FY22.

The textiles industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 3.99 billion from April 2000-March 2022. 100% FDI (automatic route) is allowed in the Indian textile sector. The Government's Rs. 10,683 crore (US\$ 1.44 billion) PLI scheme is expected to be a major booster for the textile manufacturers. The scheme proposes to incentivise MMF (man-made fibre) apparel, MMF fabrics and 10 segments of technical textiles products. The Government approved the Mega Integrated Textile Region and Apparel (MITRA) Park scheme worth Rs. 4,445 crore (US\$ 594.26 million) to establish seven integrated mega textile parks with state-of-the-art infrastructure, common utilities and R&D lab over a three-year period, which will boost textile manufacturing in the country.

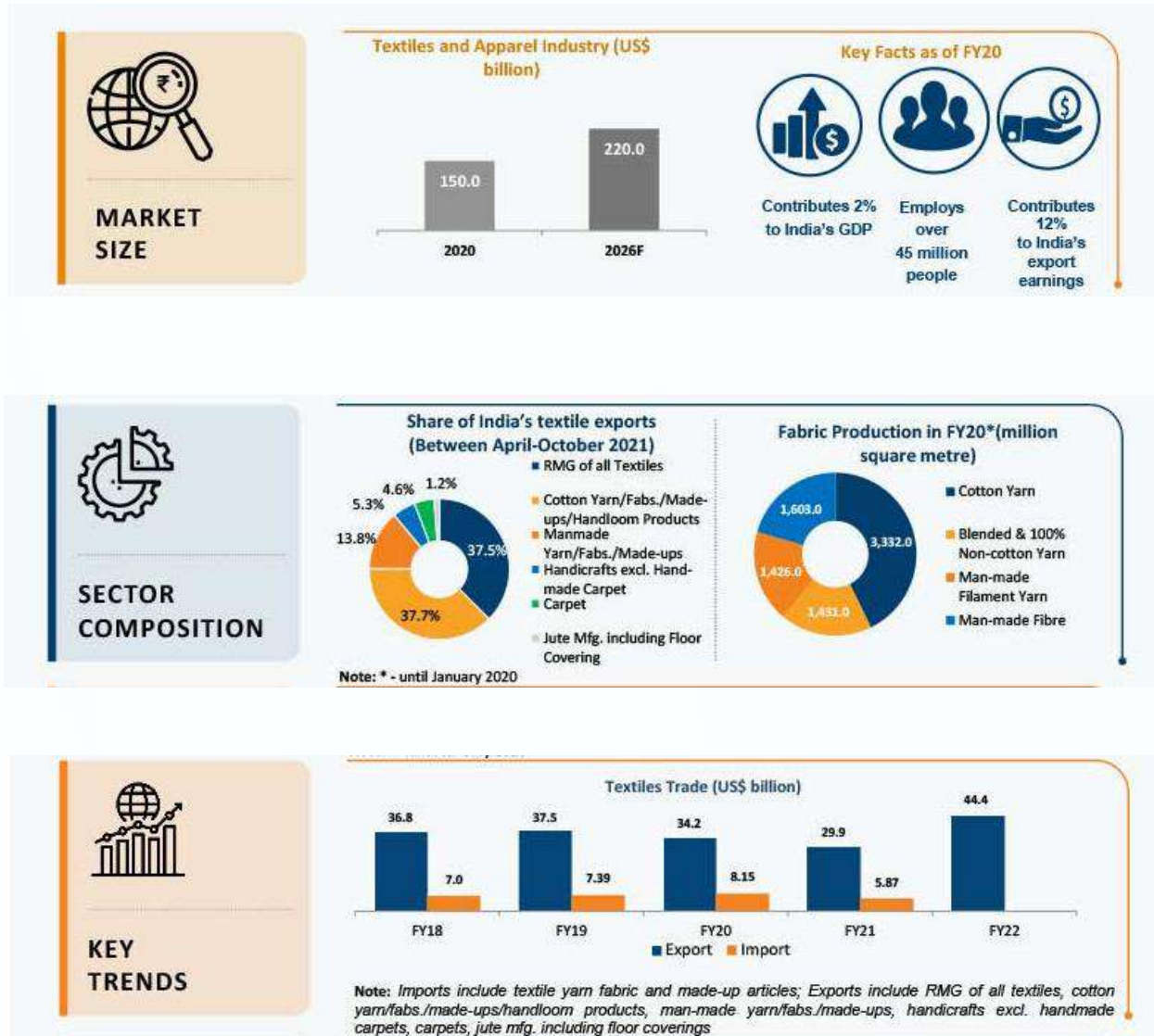
Top players in the textiles sector are attaining sustainability in their products by manufacturing textiles that use natural recyclable materials. Top players in the textiles sector are attaining sustainability in their products by manufacturing textiles that use natural recyclable materials.



India enjoys a comparative advantage in terms of skilled manpower and in cost of production, relative to major textile producers.

## ANNEXURE 5

Huge funds in schemes such as Integrated Textile Parks (SITP) (US\$ 184.98 million) and Technology Upgradation Fund Scheme (US\$ 961.11 million) released by the Government during 2015-16 to 2019-20 to encourage more private equity and provide employment.





The Indian online grocery market is estimated to reach US\$ 26.93 billion in 2027 from US\$ 3.95 billion in FY21, expanding at a CAGR of 33%. India's consumer digital economy is expected to become a US\$ 1 trillion market by 2030, growing from US\$ 537.5 billion in 2020, driven by the strong adoption of online services such as e-commerce and edtech in the country.

According to Grant Thornton, e-commerce in India is expected to be worth US\$ 188 billion by 2025.

With a turnover of \$50 billion in 2020, India became the eighth-largest market for e-commerce, trailing France and a position ahead of Canada.

For the 2021 festive season, Indian e-commerce platforms generated sales with a Gross Merchandise Value (GMV) of US\$ 9.2 billion, a 23% increase from last year's US\$ 7.4 billion.

## MARKET SIZE



The Indian e-commerce sector is ranked 9th in cross-border growth in the world, according to the Payoneer report. Indian e-commerce is projected to increase from 4% of the total food and grocery, apparel and consumer electronics retail trade in 2020 to 8% by 2025. As of June 8 2022, the Government e-Marketplace (GeM) portal served 10.35 million orders worth Rs. 258,359 crore (US\$ 33.07 billion) to 60,632 buyers from 4.56 million registered sellers and service providers.

The Government of India's policies and regulatory frameworks such as 100% Foreign Direct Investment (FDI) in B2B E-commerce and 100% FDI under automatic route under the marketplace model of B2C E-commerce are expected to further propel growth in the sector. As per the new FDI policy, online entities through foreign investment cannot offer the products which are sold by retailers in which they hold an equity stake.

Through its Digital India campaign, the Government of India is aiming to create a trillion-dollar online economy by 2025. It has formed a new steering committee that will look after the development of a government-based e-commerce platform. The new committee, set up by the Commerce Ministry, will provide oversight on the policy for the Open Network for Digital Commerce (ONDC), which is an e-commerce platform that the government is backing for the development. The ONDC will serve as the infrastructure for setting up the final storefront, which will be similar to Flipkart and Amazon.

Since 2014, the Government of India has announced various initiatives, namely Digital India, Make in India, Start-up India, Skill India and Innovation Fund. The timely and effective implementation of such programs will likely support growth of E-commerce in the country.

The E-commerce industry has been directly impacting micro, small & medium enterprises (MSME) in India by providing means of financing, technology and training and has a favourable cascading effect on other industries as well. Indian E-commerce industry has been on an upward growth trajectory and is expected to surpass the US to become the second largest E-commerce market in the world by 2034. Technology enabled innovations like digital payments, hyper-local logistics, analytics driven customer engagement and digital advertisements will likely support the growth in the sector.

The e-retail market is expected to continue its strong growth - it registered a CAGR of over 35% to reach Rs. 1.8 trillion (US\$ 25.75 billion) in FY20. Over the next five years, the Indian e-retail industry is projected to exceed ~300-350 million shoppers, propelling the online Gross Merchandise Value (GMV) to US\$ 100-120 billion by 2025.

#### 4. THE COMPANY & OUR BRANDS:

As on March 31, 2022, the Company sold 7,50,873 pcs through its various Marketplace portals, exclusive brand outlets (EOB's) and various Proprietary sales Channels. We also sell our products through our own Brand.com websites and various online marketplaces. Your Company "NANDANI CREATION LIMITED" is engaged in the manufacturing and online trading of Women Apparels like kurtis, ethnic tops, palazzo, Patiala salwar suits, dupattas, quilted jackets, leggings, different variety of Bottom Wears, Shirts, etc.

We have a track record of developing homegrown brands leveraging our deep understanding of the needs and aspirations of Indian women. Over the years, we have expanded our brand portfolio to three brands, each positioned to cater to the well-defined needs of their respective target consumers:

**"Jaipurkurti.com"**: Jaipurkurti.com is the leading D2C women Indian wear Brand in the new age ethnic segment. It's among the top brands at every marketplace & has dominated the Plus size & Bottoms category.

**"Amaiva-By Jaipur kurti"**: Amaiva is a high-end brand where style meets affordability.

**"Desi Fusion"**: With our Brand desi fusion we have entered the unorganized offline wholesale sector but in an organized way.

We focus on creating innovative designs and optimizing fit and sizing while emphasizing higher quality. We launch approximately new styles every year introducing freshness to our consumers every two to three weeks. We can achieve these parameters through an institutionalized product development process that starts with in-depth research, trend forecasting, concept/story development, fabric and textile designing, garment styling, sample development, presentations to internal teams and roadshows for our sales partners. We work with 250+ suppliers ranging from artisanal groups to large mills, enabling production of a highly differentiated product every single time.

The Retail Journey of the Company started in the year 2018 with the opening of our **1<sup>st</sup> Retail Flagship Store "Amaiva-By Jaipur Kurti"** which later got converted in **"Jaipur Kurti.com"** in January, 2020.

- Later the Company opened its **2<sup>nd</sup> Retail Store** in December, 2020 at Triton Mall, Jhotwara Jaipur.
- The **3<sup>rd</sup> Retail Store** was opened in February, 2020 at MGF Mall, Jaipur.
- The **4<sup>th</sup> Retail Store** was opened in July, 2021 at Gaurav Tower (GT), Jaipur.
- The **5<sup>th</sup> Retail Store** was opened in November, 2021 at Sri Ganganagar, Jaipur

- The 6<sup>th</sup> Retail Store was opened in April, 2022 at sardarpura, jodhpur

*Our brand is best known for its ethnic wear, kurtis and traditional designs having wide range of colours, patterns and sizes. We distribute our products by following e-retail model and have developed a sustainable business model over the period.*

## 5. FINANCIAL HIGHLIGHTS FOR 2021-22:

PARTICULARS	FY2018	FY2019	FY2020	FY2021	FY2022
Net Sales	33.3	37.4	46.9	47.8	62.7
Operating EBITDA	2.4	3.2	3.2	4.6	2.9
EBITDA margin	7.1%	8.4%	6.8%	9.7%	4.7%
Interest	0.7	1.2	1.6	1.8	1.6
Depreciation	0.3	0.5	0.4	1.1	1.3
PBT	1.3	1.5	1.3	2.3	0.7
Tax	0.4	0.5	0.4	0.6	0.2
PAT	0.9	1.1	0.9	1.7	0.6

- Healthy revenue growth driven by 36% volume growth in retail sales
- Contraction of margin was mainly due to : Sharp increase in raw material prices , which will be gradually pass on to the customer , spends on marketing and promotion of newly launched e commerce website , owing to prolonged winters , autumn collection was sold on steep discounts

Other focus areas for us were customer engagement, organisation resilience and seizing growth opportunities. We have established capabilities to build a single view of inventory and leverage the inventory across sources to be showcased and sold to our consumers through all D2C delivery models and wider third-party channels. This is reflected in the accelerated Online D2C growth stated above. On the Offline side as well, we launched multiple direct-to-consumer initiatives. Initiatives such as Virtual shopping via video call and chat have been embedded as core offerings for the convenience of consumers. Phase 1 of the automated inventory management system has been rolled out to optimize inventory across EBO and LFS points of sale using data science algorithms. This is a key project for us that will change the way we optimize, allocate and sell inventory across the value chain. We are in the process of setting up a new integrated warehouse for a more robust, efficient and scalable supply chain. The new warehouse would enable us to further build on our Online D2C initiative. We institutionalized the express production and replenishment model which would allow us to place orders for inventories closer to the season.

## INVEST IN BUILDING GROWTH RUNWAYS AND KEY CAPABILITIES WHILE PRESERVING BALANCE SHEET STRENGTH

### NANDANI'S FAVORABLE POSITIONING:

#### OFFLINE PLAYERS:

- No legacy burden of offline sales channels (distribution network or own stores)
- Expertise in efficiently managing all operational activities in online business like logistic, inventory, fulfilling and returns
- Attractive price point familiarity of dynamic pricing practice
- Resilient business model having showcased growth even in the pandemic times when all the offline players were struggling

#### ONLINE PLAYERS:

- Complete operational integration
- Relationship with multiple channel partners with the right mix thereby avoiding any partner dependency
- Recognized as one of the oldest surviving online brand in the industry

- Repeat customers and ability to attract organic traffic
- High conversion ratio

## GROWTH DRIVERS

- Favorable demographics of Indian population
- Increasing population of working women
- Shift from Unbranded (unorganized) to Branded (organized) segment
- Migration from offline to online market place
- Increase in per capita income

## BUSINESS STRATEGY:

- Developing & strengthening all available online sales channels in the market
- Increasing share in fast growing 3rd party online sales channel
- Focus on growing its own D2C channel under its flagship website domain “JaipurKurti.com” Key reasons for investing in proprietary sales platform:
  - ✓ To catch the long term trend of D2C business model in the most efficient way
  - ✓ Create customer ownership
  - ✓ Create cross sell opportunities
  - ✓ Reduce 3rd party dependence risk
  - ✓ This business model is the most effective way to leverage company's existing strengths of managing online business logistics, online customer engagement and executing online sales & branding strategies
- Increase offline stores to compliment online presence as a complimentary sales channel to its core online business. Plan to grow more number of stores from 6 in next 2 years.
- Increasing consumer engagement through social media marketing and Omni channel sales

## TECHNOLOGY:

Our digital strategy is built around 5 key focus areas:

**Online Sales:** To capitalize on the trend towards an increased share of online business in our industry and business segment, we aim to further enhance our capabilities to manage D2C businesses which include our own Brand.com websites and partners' marketplaces. Differentiated product portfolio and customized supply chain processes coupled with best-in-class operational capabilities for superior customer experience have caused this segment to grow in the financial year under review.

**Omnichannel Experience:** Seamless discovery, purchase and post-purchase journeys across online/offline touchpoints are the essence for a true omnichannel experience for the customer. Omnichannel is the integration of all physical and digital channels to offer a unified customer experience and Jaipurkurti.com is on its journey of becoming truly an omnichannel business. Jaipurkurti.com launched omnichannel play by bringing inventory from stores to Brand.com and marketplaces. In the financial year under review, we scaled up the “Endless aisle” initiative significantly for our own stores, some marketplaces, and Company operated Brand.com. With omnichannel capabilities, around 99 percent of season's styles are available across channel with industry-leading fulfilment rates. We would soon be adding other marketplaces to our omnichannel systems to ensure a seamless, effortless and high-quality customer experience

**Customer Engagement:** Our strategy is to ensure high consumer retention and increased organic share by delivering personalized and relevant communication leveraging digital technologies. Additionally, it would provide us with detailed insight into consumer purchase behaviour and allow us to deliver differentiated experiences to our consumers

**Inventory Management:** We are leveraging technology to implement automated and pull-based inventory allocation and replenishment to boost inventory efficiency. Technology will also help us in strengthening our supply chain and improving its

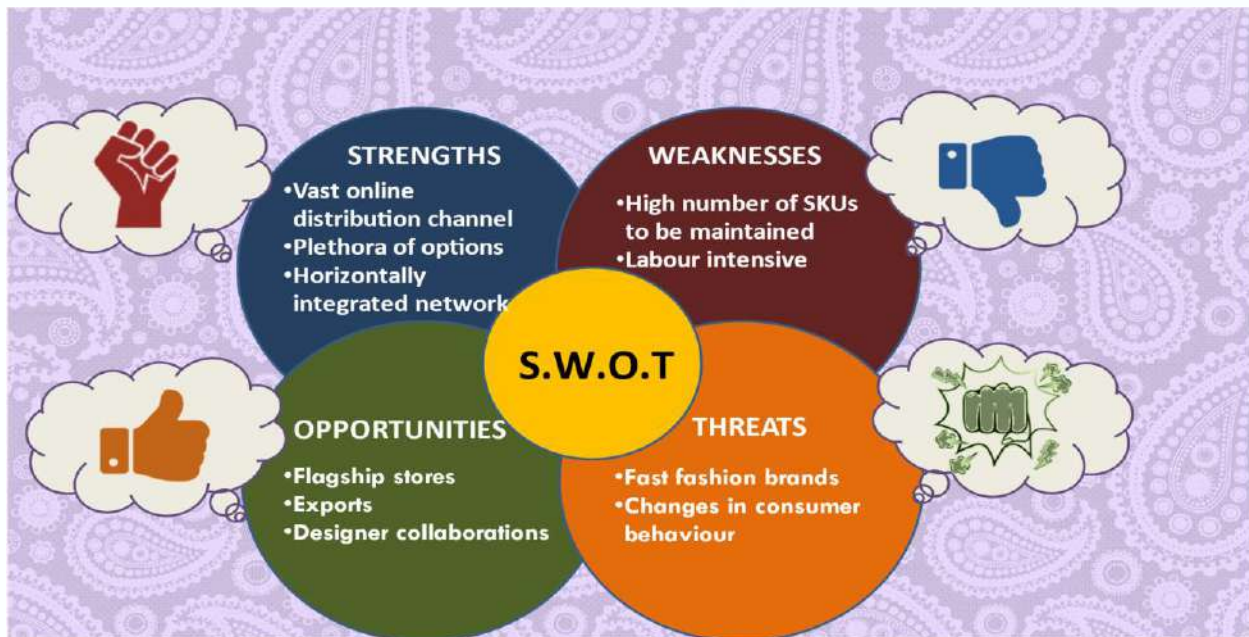


responsiveness to demand patterns through enhanced data analytics providing granular sales and inventory visibility across channels.

**Thought-to-Shelf Cycle:** Our digital initiatives also support our express production capabilities to improve speed to-market and data-supported design and sampling capabilities for closer-to-season and in-season innovation.

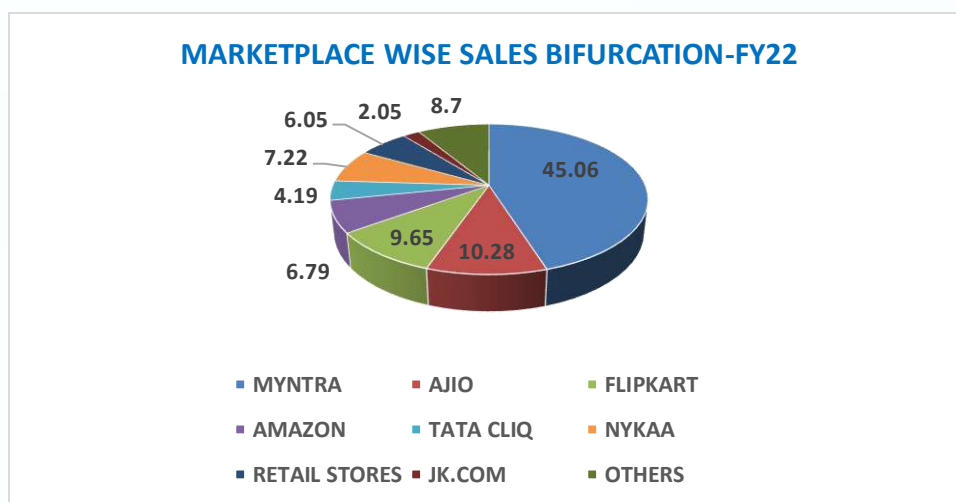
## 6. OPPORTUNITIES & THREATS:

The SWOT Analysis of the company is as follows:



## 7. MARKETPLACE PERFORMANCE:

The Company is engaged in the manufacturing of Women Apparels such as Kurtas/Kurtis, Kurti with Palazzo, Kurti with Skirt, Pants, Salwar Dupattas etc. The Bifurcation of the Sales marketplace for the FY 2022 is as follows:



## 8. VALUE DRIVERS:

- ✓ Pure play on structural online fashion retail opportunity Online fashion retail is a fast growing opportunity with humungous market opportunity with the available tailwinds Given the pandemic effect, offline to online migration has been fast tracked.
- ✓ Asset light and operationally light model providing huge scalability opportunity and wide consumer reach
- ✓ Long surviving brand awareness enables favorable consumer orientation
- ✓ Positioning in the given consumer segment (Female aged 25 65 years) aligns opportunities in other related product categories like kids' fashion, male fashion, female western fashion wear, female fashion accessories, etc
- ✓ Focused management team lead by aspirational, young & energetic promoter
- ✓ Balanced capital structure with reasonable leverage

## 9. RISK MANAGEMENT:

The Company is governed by a risk management framework, comprising regular risk assessment by a Committee, review of processes and controls over data flow. Key risks and our mitigation measures are mentioned below:

### *Fashion risk: Inability to respond to changes in customer preferences and fashion trends on time may have an adverse effect on our business*

All of our products are designed through an institutionalized process which includes constant feedback. Structured range architecture and a strong design team helps in ensuring delivery of designs on a timely basis while maintaining an edge in fashion. We have shifted away from a strict two season calendar to bring the planning and production closer to the season specific requirements, resulting in a shorter lead time for production.

### *Supply Chain risk: Inability to manufacture and supply products on time*

We have developed a wide base of suppliers, both for fabrics as well as for manufacturing. We develop long-term relationships with our suppliers who have continued to grow with us. We keep developing new sources, expanding in new geographies to de-risk dependency on the existing base of suppliers as well as to avoid any geographical risk. We are gradually moving to machine learning (ML) led replenishment process to enable a more accurate and quicker replenishment cycle.

### *Discounting: Trend of longer End of Season Sale (EOSS) and deeper discounting*

We are a multi-channel business which gives us the opportunity to get higher realization by selling through alternate channels. The effort is also to launch fresh season stocks in store early, reducing the proportion of stocks being sold at discount.

### *High Inventory Days: Risk of liquidity, if sales projections are not met*

We constantly monitor the freshness of finished goods and ensure that not more than 20 percent of our stock is more than three seasons old. Our aggressive dormancy provisioning policy ensures that older stocks are valued below historical realization values. Express production process, intended to reduce inventory risk and maximize top-selling styles, has already been tested for a meaningful number of styles and we are now expanding it to cover a large proportion of our inventory. A part of our inventory is in raw-material and work-in-process stage for the ongoing and the next season and these do not carry significant risk of obsolescence

## 10. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The scope and authority of the Internal Audit function is well defined in the organization. To maintain its objectivity and independence, the internal audit function reports to the Chairman of the Audit Committee of the Board. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of the internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The internal financial controls as laid down are adequate and were operating effectively during the year.

#### **11. HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS:**

Our people are at the heart of how we do business. It is their talent and skills that will take us to our dream of becoming a \$1 billion brand. We continue to invest in building best-in-class fashion teams. Recognizing that the workforce will provide critical competitive edge in its growth endeavor, the Company has laid emphasis on recruiting, maintaining and developing its human asset base.

The Company treasures its human resource as it is the most critical element responsible for the growth of the Company. It ensures a safe, conducive and productive work environment across its properties. The Company provides regular skill and personnel development training to enhance employee productivity and keep pace with technological advancements. The experienced and talented employee pool plays a key role in enhancing business efficiency, devising strategies, setting-up systems and evolving business.

#### **12. ENVIRONMENT, CORPORATE SUSTAINABILITY AND SOCIAL RESPONSIBILITY:**

Being a responsible corporate citizen, your Company strongly follows to giving back to the society. CSR initiatives help elevate the quality of life of the people by promoting healthcare, education and employment opportunities. Your Company will take numerous initiatives to develop local community around its manufacturing facilities and aims to continue its efforts to build on its tradition of social responsibility to empower communities.

#### **13. FORWARD LOOKING STATEMENT:**

This Management Discussion & Analysis Report contains statements about expected future events and financial and operating results of Raymond Group, which may be classified as forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Further, certain key performance indicators mentioned in the Annual Report are based on classifications made by the Company. Do not place undue reliance on forward-looking statements as a number of factors could cause assumptions and actual future results or events to differ materially from those expressed in these forward-looking statements.

#### **14. CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis and Directors Report describing the Company's strengths, strategies, projections and estimates, are forward looking statements and progressive within the meaning of applicable laws and regulations. The Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors. Readers are cautioned not to place undue reliance on the forward looking statements.

## ANALYSIS OF MANAGERIAL REMUNERATION

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended the statistical analysis of the remuneration paid to Directors and Key Managerial Personnel (KMP) as against the other employees of the company and with respect to the performance of the company (PAT) is given below:

1. The percentage increase in the remuneration of each director and the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2021-22:

Name of the Director	Ratio of the remuneration of each director to the median remuneration of the employees	Percentage increase in the remuneration for the Financial Year 2021-22 as compared to previous year remuneration
Mr. Anuj Mundhra	12.37:1	21%
Mrs. Vandana Mundhra	3:00:1	10%
Mrs. Sunita Devi Mundhra	4.50:1	10%

\* Median Remuneration of the Employees of the Company being to be Rs. 2,64,000

2. The percentage increase in remuneration of following Key Managerial Personnel (KMP), if any, in the financial year 2021-22:

Name of the Director	Ratio of the remuneration of each director to the median remuneration of the employees	Percentage increase in the remuneration for the Financial Year 2020-21 as compared to previous year remuneration
Mr. Dwarka Dass Mundhra	1.36:1	--
Ms Gunjan Jain	1.82:1	33.93%

3. The percentage increase in the median remuneration of employees in the financial year: **22.22%**
4. The number of permanent employees on the rolls of company; **153 Employees**
5. The median remuneration of employees of the Company during the Financial year: **2.64 Lacs**
6. Affirmation that the remuneration is as per the remuneration policy of the Company; **Remuneration paid during the year ended March 31, 2022 is as per Remuneration policy of the Company**



## ANNEXURE 6

7. Average percentile increase already made in the salaried of the employees other than the Managerial Personnel in the last Financial Year and its comparison with the percentile increase in Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in Managerial Remuneration:

The average annual increase in the salaries of employees was around 68.43% other than the managerial personnel. There was an increase of 16.05 % percentage increase in the managerial remuneration, since there was increase in the salary of KMP's with the approval of shareholders.

DATE: JAIPUR  
PLACE: 01.09.2022

FOR AND ON BEHALF OF NANDANI CREATION LIMITED

Sd/-  
ANUJ MUNDHRA  
MANAGING DIRECTOR  
DIN: 05202504

Sd/-  
VANDANA MUNDHRA  
WHOLE-TIME DIRECTOR  
DIN: 05202403

### DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Board Members and Senior Management Personnel of the Company of **NANDANI CREATION LIMITED** have affirmed compliance with the Code of Conduct for Board of Directors and senior management Personnel for the Financial Year 2021-22.

**FOR NANDANI CREATION LIMITED**

Place: JAIPUR  
Date: 01.09.2022

Sd/-  
Dwarka Dass Mundhra  
Chief Financial Officer

## CEO/CFO CERTIFICATION

To,  
The Board of Directors,  
Nandani Creation Limited

We, **Mr. Anuj Mundhra**, Chairman and Managing Director and **Mr. Dwarka Dass Mundhra**, Chief Financial Officer ("CFO") of the **Nandani Creation Limited**, to the best of our knowledge and belief, certify that:

- a. We have reviewed Financial Statements and the Cash flow Statement for the year ended 31<sup>st</sup> March, 2021 and that to the best of our knowledge, belief and Information:
  - i. These financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii. These financial statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. These are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit committee, wherever applicable, deficiencies in the design or operation of such internal controls, if any, of which we have are aware and the steps that we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee, wherever applicable,
  - i. That there is no significant change in internal control over financial reporting during the year under reference;
  - ii. There is no significant change in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. There is no significant fraud of which we have become aware and that the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

DATE: JAIPUR  
PLACE: 01.09.2021

FOR AND ON BEHALF OF NANDANI CREATION LIMITED

Sd/-  
**ANUJ MUNDHRA**  
MANAGING DIRECTOR  
DIN: 05202504

Sd/-  
**DWARKA DASS MUNDHRA**  
CHIEF FINANCIAL OFFICER

# INDEPENDENT AUDITORS' REPORT

(REPORT ON THE AUDIT OF STANDALONE FINANCIAL STATEMENTS)

To  
The Members of  
**NANDANI CREATION LIMITED**  
Jaipur

## OPINION

We have audited the standalone financial statements of **NANDANI CREATION LIMITED** ("the company"), which comprise the Balance Sheet as at 31 March 2022 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Companies Act, 2013 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 March 31, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

## BASIS OF OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the

Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## KEY AUDIT MATTERS

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have not observed anything which falls under this.

## INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report,



Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

To express an opinion on these financial statements based on our audit. We have considered the provisions of the Act, the Indian accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules there under. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

#### **RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance 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. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Boards of Directors are 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 free from material misstatement are, 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 decision 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 are also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If

we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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 (Auditors' Report) Order, 2020 ("Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the order.
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 appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and the returns received from the branches not visited by us.
  - d) In our opinion, the aforesaid standalone financial statements comply 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.
  - e) On the basis of written representations received from the directors as on 31 March, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 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 controls, refer to our separate report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - I. The Company does not have any pending litigations which would impact its financial position.
  - II. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - III. There were no amounts which required to be transferred to the Investor Education and Protection Fund.
- a) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- c) Based on such audit procedures we have considered reasonable and appropriate in the circumstances, nothing has come to our notice

- that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement
- d) There were no dividends declared and paid by company during the year.
- e) Whether the company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention. (Not applicable for current financial year)

**PLACE: JAIPUR**

**DATED: 30.05.2022**

**FOR ASHOK HOLANI AND COMPANY**

**CHARTERED ACCOUNTANT**

**FRN: 009840C**

**Sd/-**

**ASHOK HOLANI**

**PARTNER**

**M.NO.: 079784**

**UDIN: 22079684AMBPG4072**



**ANNEXURE A REFERRED TO IN PARAGRAPH 7 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF NANDANI CREATION LIMITED ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED MARCH 31, 2022.**

1. On the basis of the information and explanation given to us during the course of our audit, we report that:

a) The company has maintained proper records showing full particulars of intangible asset.

b) According to the information and explanations given to us and based on the records of the company examined by us, fixed assets have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and based on the records of the company examined by us, the total assets of the company include immovable property and the title deed of the immovable property are held in the name of the company

d) According to the information and explanations given to us and based on the records of the company examined by us, the company has not revalued its Property, Plant and Equipment or intangible asset or both during the year.

e) According to the information and explanations given to us and based on the records of the company examined by us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2.

a) According to the information and explanations given to us and based on the records of the company examined by us, physical verification of inventory has been conducted at reasonable intervals by the management but the coverage and procedure of such verification by the management should be strengthen and improve.

b) According to the information and explanations given to us and based on the records of the company examined by us, the company has been sanctioned working capital limits excess of Rs. 500 lakhs from banks. Company prepares and files its financial

statements on half yearly basis therefore it is not possible for us to comment on quarterly statements filed by the company to bank. On review of the half yearly statements filed with banks with the financial statements prepared there is significant variations reported below.

Particulars	Amount reported in statement filed with bank(A)	Amount reported in financial statement(B)	Difference (A-B)
<b>First Half Year</b>			
Inventory	1004.97	1425.06	(420.09)
Trade Receivable	682.15	678.79	3.36
Trade Payable	383.28	491.30	(108.02)
<b>Second Half Year</b>			
Inventory	1206.00	1439.48	(233.48)
Trade Receivable	792.00	760.67	31.33
Trade Payable	314.00	274.51	39.49

3. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year except as mentioned below.

Particular	Amount
The Company has been provided corporate guarantee for cash credit loan from Axis Bank limited for its subsidiaries i.e. Desi Fusion India Private Limited Amount	120 Lakhs

- b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of secured and unsecured loans are, prima facie, not prejudicial to the interest of the Company.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of secured and unsecured loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of secured and unsecured loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given any advances in the nature of loans to any party.
- f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
4. According to the records of the company examined by us and as per the information and explanations given to us, the company has not provided any loans, secured or unsecured or advances in the nature of loans, therefore the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities are not applicable on the company.
5. The company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013
6. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013
- 7.
- (a) According to the information and explanations provided to us and based on the records of the company examined by us, the company is not regular in depositing undisputed statutory dues including goods and service tax, Tax deducted at source, Tax collection at source, cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us, following undisputed amounts were payable in respect of the above were in arrears as on 31st march, 2022 for a period of more than six months from the date on when they become payable
- | Nature of Tax  | Amount (In Lakh) |
|--|------------------|
| The Income Tax Department has raised demands for FY 2021-22 in regard to tax deducted at source for non-compliances to the provision of the act that has been verified from TRACES.                                | 0.10             |
| The Income Tax Department has raised demands for FY 2019-20 in regard to mismatch between TDS claimed by taxpayer and computed u/s 143(1) that has been verified from intimation u/s 143(1) order date 09/12/2021. | 0.08             |
- (b) According to the information and explanations given to us and based on the records of the company examined by us, there are no outstanding dues of Income tax or Sales tax or Service tax or Duty of Customs or duty of excise or value added tax which should be deposited on account of any dispute.
8. According to the information and explanations given to us and based on the records of the company examined

by us, there is no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)

9.

- a) According to the information and explanations given to us and based on the records of the company examined by us, the company has not made defaults in repayment of loans or borrowing/interest to a financial institution or dues to debenture holders
- b) According to the information and explanations given to us and based on our findings the company is not a declared willful defaulter by any bank or financial institution or other lender.
- c) According to the information and explanations given to us and based on our findings of the same, the company has applied term loans availed from the bank and financial institutions for the purpose for which the loans were obtained
- d) According to the information and explanations given to us and based on our findings of the same, the company has not applied any funds raised on short term basis for the for the long-term purposes.
- e) According to the information and explanations given to us and based on our findings 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) According to the information and explanations given to us and based on our findings, company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies

10.

- a) According to the information and explanations given to us and based on the records of the company examined by us, company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- b) According to the information and explanations given to us and based on the records of the company examined by us, company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

11.

- a) During the course of our examination of the books and records of the company carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud by the company.
- b) According to the information and explanations given to us and based on the records of the company examined by us, no report has been required to filed by the auditor under sub-section (12) of section 143 of the Companies Act, 2013 in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information and explanations given to us and based on the records of the company examined by us, there is no whistle-blower complaints against the company.

12. In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Hence, clause 3(xii) of the Order is not applicable to it.

13. According to the information and explanations given to us and based on the records of the company examined by us, the company is in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable rules, and where applicable, for all transactions with the related parties and the details of the related party transaction have been disclosed in the financial statements as required by the applicable accounting standards.

14. As per section 138 of Companies Act, 2013 read with rule 13 of Companies (Accounts) Rules, 2014 company is required to appoint internal auditor as per size and nature of its business.

We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

15. According to the records of the company examined in course of our audit and as per information and explanations given to us, the company has not entered in any non-cash transaction with directors or persons connected with him. Hence, provisions of Section 192 are not applicable to the company

16. According to information and explanations given to us and on the basis of records of the company examined by us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, sub clause b, c and d are not applicable on the company.

17. According to information and explanations given to us and on the basis of records of the company examined by us, the company has not incurred cash losses in the current financial year and immediately preceding year.

18. According to information and explanations given to us and on the basis of records of the company examined by us there has been no resignation of the statutory auditors during the year.

19. According to information and explanations given to us and on the basis of records of the company examined and on the basis of the financial ratios, 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, there were no material uncertainty exists as on the date of the audit report that company is incapable 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;

20. According to information and explanations given to us and on the basis of records of the company examined and as per section 135 of Companies Act, 2013 CSR is not applicable on the company for the financial year covered under the audit, hence, Sub clause-a and of is not applicable to it.

**PLACE: JAIPUR**

**DATED: 30.05.2022**

**FOR ASHOK HOLANI AND COMPANY**

**CHARTERED ACCOUNTANT**

**FRN: 009840C**

**Sd/-**

**ASHOK HOLANI**

**PARTNER**

**M.NO.: 079784**

**UDIN: 22079684AMBPG4072**

**ANNEXURE B REFERRED TO IN PARAGRAPH 8(G) OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF NANDANI CREATION LIMITED ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED MARCH 31, 2022.**

**REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

We have audited the internal financial controls over financial reporting of **NANDANI CREATION LIMITED**. ("The Company") as of 31<sup>st</sup> March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an

audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures



that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

**PLACE: JAIPUR**

**DATED: 30.05.2022**

projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR ASHOK HOLANI AND COMPANY**

**CHARTERED ACCOUNTANT**

**FRN: 009840C**

**Sd/-**

**ASHOK HOLANI**

**PARTNER**

**M.NO.: 079784**

**UDIN: 22079684AMBPG84072**

NANDANI CREATION LIMITED				
CIN: L18101RJ2012PLC037976				
STANDALONE BALANCE SHEET AS AT MARCH 31, 2022				
Particulars	Note No.	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
<b>A. ASSETS</b>				
<b>(1) NON-CURRENT ASSETS</b>				
(a) Property, Plant and Equipment	2.1	1,31,56,111	1,12,47,458	1,03,59,209
(b) Capital Work-in-Progress	2.3	-	53,632	-
(c) Other Intangible Assets	2.1	3,32,243	4,06,870	4,84,794
(d) Right to use assets	2.2	3,05,62,979	1,63,95,507	2,19,47,163
(e) Financial Assets				
(i) Investments	3	55,19,200	54,54,500	53,93,000
(ii) Trade Receivables	4	39,93,305	14,73,959	73,448
(iii) Loans	5	-	22,66,272	20,92,105
(iv) Other Financial Assets	6	74,81,037	40,57,356	26,15,834
(f) Deferred Tax Assets (Net)	7	26,98,881	19,17,715	9,03,756
(g) Other Non-current Assets		-	-	-
<b>SubTotal Non Current Assets</b>		<b>6,37,43,756</b>	<b>4,32,73,269</b>	<b>4,38,69,308</b>
<b>(2) CURRENT ASSETS</b>				
(a) Inventories	8	14,39,48,017	13,87,53,302	15,52,53,304
(b) Financial Assets				
(i) Investments				
(ii) Trade Receivables	9	7,20,74,635	5,00,14,582	5,32,86,729
(iii) Cash and Cash Equivalents	10	8,77,908	7,42,373	6,94,535
(iv) Bank Balance other than (iii) above	10	11,44,325	5,51,503	3,31,410
(v) Other Financial Asset	11	4,88,75,606	2,87,06,486	1,95,88,440
<b>SubTotal Current Assets</b>		<b>26,69,20,491</b>	<b>21,87,68,245</b>	<b>22,91,54,417</b>
<b>Total Assets (1+2)</b>		<b>33,06,64,247</b>	<b>26,20,41,514</b>	<b>27,30,23,726</b>
<b>EQUITY AND LIABILITIES</b>				
<b>(1) EQUITY</b>				
(a) Equity Share capital	12	10,03,39,500	10,03,39,500	8,23,39,500
(b) Other Equity	13	4,83,98,188	4,73,28,225	1,96,92,155
<b>Total Equity</b>		<b>14,87,37,688</b>	<b>14,76,67,725</b>	<b>10,20,31,655</b>
<b>(2) LIABILITIES</b>				
<b>(1) Non Current Liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	14	3,73,85,311	1,75,81,159	3,85,55,786
(ia) Lease liabilities	14	3,24,60,807	1,54,80,489	1,93,42,790
(ii) Trade payables	15			
A. Total outstanding dues of micro enterprises and small enterprises		-	8,378	8,378
B. Total outstanding dues of creditors other than micro enterprises and small enterprises		71,413	9,306	5,42,551
(iii) Other financial liabilities		-	-	-
(b) Provisions	16	18,28,000	9,67,168	7,83,801
(c) Deferred tax liabilities (net)				
(d) Other non current liabilities				
<b>Sub Total Non Current Liabilities</b>		<b>7,17,45,530</b>	<b>3,40,46,500</b>	<b>5,92,33,306</b>
<b>(2) Current Liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	17	7,59,50,685	4,00,42,698	3,85,33,300
(ii) Trade payables	18			
A. Total outstanding dues of micro enterprises and small enterprises		1,82,95,694	1,10,36,009	4,11,37,539
B. Total outstanding dues of creditors other than micro enterprises and small enterprises		90,83,595	2,12,02,305	2,42,99,358

(iii) Other financial liabilities	19	-	10,270	-
(b) Other current liabilities	20	24,79,938	51,05,955	37,40,024
(c) Provisions	21	26,63,290	16,16,826	15,85,879
(d) Current tax liabilities (net)	22	17,07,828	13,13,226	24,62,664
<b>Sub Total Current Liabilities</b>		<b>11,01,81,029</b>	<b>8,03,27,289</b>	<b>11,17,58,765</b>
<b>Total Liabilities (1+2)</b>		<b>18,19,26,559</b>	<b>11,43,73,789</b>	<b>17,09,92,071</b>
<b>Total Equity and Liabilities (1+2)</b>		<b>33,06,64,247</b>	<b>26,20,41,514</b>	<b>27,30,23,726</b>
<b>Significant Accounting Policies and Notes to Financial Statements</b>	1 to 32			

IN TERMS OF OUR REPORT OF EVEN DATE  
FOR ASHOK HOLANI & CO.  
CHARTERED ACCOUNTANTS

Sd/-  
ASHOK HOLANI  
PARTNER  
M.No. 079684

DATE: 30.05.2022  
PLACE: JAIPUR  
UDIN: 22079684AMBPG4072

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
OF NANDANI CREATION LIMITED

Sd/-  
ANUJ MUNDHRA  
MANAGING DIRECTOR  
DIN: 05202504

Sd/-  
DWARKA DASS MUNDHRA  
CHIEF FINANCIAL OFFICER

Sd/-  
VANDANA MUNDHRA  
WHOLE-TIME DIRECTOR  
DIN: 05202403

Sd/-  
GUNJAN JAIN  
COMPANY SECRETARY

NANDANI CREATION LIMITED			
CIN: L18101RJ2012PLC037976			
STANDALONE STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2022			
Particulars	Note No.	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Income</b>			
I. Revenue from operations	23	55,20,18,303	45,68,85,742
II. Other Income	24	30,84,490	40,62,455
<b>III. Total Income (I + II)</b>		<b>55,51,02,793</b>	<b>46,09,48,197</b>
<b>IV Expenses:</b>			
Cost of materials consumed	25	17,20,02,506	6,79,37,050
Purchases of Stock-in-trade	26	8,77,40,389	9,64,57,708
Changes in stock of finished goods, work-in progress and stock-in-trade	27	(66,83,405)	2,25,23,915
Employee benefit expense	28	2,12,67,548	1,49,09,648
Finance costs	29	1,21,55,872	1,47,13,392
Depreciation and amortisation expense	2	94,34,997	89,13,756
Other expenses	30	25,70,24,355	21,46,80,500
Total expenses (IV)		<b>55,29,42,262</b>	<b>44,01,35,968</b>
<b>V Profit before exceptional and tax (III - IV)</b>		<b>21,60,531</b>	<b>2,08,12,228</b>
VI Exceptional items	30.2	-	4,60,000
<b>VII Profit before tax (V-VI)</b>		<b>21,60,531</b>	<b>2,03,52,228</b>
<b>VIII Tax expense</b>			
Current tax		16,91,544	63,72,968
Tax expense for previous year		2,28,606	18,649
Deferred tax	7	7,81,165	10,29,437
<b>IX Profit for the period (VII-VIII)</b>		<b>10,21,546</b>	<b>1,49,90,049</b>
<b>X Other Comprehensive Income</b>			
A. (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax on above		-	-
B. (i) Items that will be reclassified to profit or loss		64,700	61,500
(ii) Income tax on above		(16,284)	(15,478)
<b>Total Other Comprehensive Income (X)</b>		<b>48,416</b>	<b>46,022</b>
<b>XI. Total Comprehensive Income for the year (IX+X)</b>		<b>10,69,962</b>	<b>1,50,36,070</b>
<b>XII Earnings per equity share</b>			
(1) Basic	31	0.11	1.82
(2) Diluted	31	0.11	1.82
<b>Significant Accounting Policies and Notes to Financial Statements</b>	1 to 32		
<b>The Notes referred to above form an integral part of the Balance Sheet.</b>			

IN TERMS OF OUR REPORT OF EVEN DATE  
FOR ASHOK HOLANI & CO.  
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
OF NANDANI CREATION LIMITED

Sd/-  
ASHOK HOLANI  
PARTNER  
M.No. 079684

Sd/-  
ANUJ MUNDHRA  
MANAGING DIRECTOR  
DIN: 05202504

Sd/-  
VANDANA MUNDHRA  
WHOLE-TIME DIRECTOR  
DIN: 05202403

DATE: 30.05.2022  
PLACE: JAIPUR  
UDIN: 22079684AMBPG84072

Sd/-  
DWARKA DASS MUNDHRA  
CHIEF FINANCIAL OFFICER

Sd/-  
GUNJAN JAIN  
COMPANY SECRETARY

NANDANI CREATION LIMITED		
CIN: L18101RJ2012PLC037976		
Cash Flow Statement for the year ended March 31, 2022		
Particulars	For The Year Ended 31st March, 2022	For The Year Ended 31st March, 2021
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	21,60,531	2,08,12,228
<b>Adjustments for:</b>		
Exceptional Item	-	(4,60,000)
Depreciation and amortisation of Property, Plant and Equipment	94,34,997	89,13,756
Finance costs	1,21,55,872	1,47,13,392
Re-measurement gain/loss on routed through OCI	48,416	46,022
<b>Operating profit / (loss) before working capital changes</b>	<b>2,37,99,816</b>	<b>4,40,25,398</b>
<b>Changes in working capital:</b>		
<b>Adjustments for (increase) / decrease in operating assets:</b>		
Investment	-	-
Inventories	(51,94,715)	1,65,00,002
Trade receivables	(2,45,79,399)	18,71,636
Other Financial asset	(2,01,69,119)	(91,18,046)
Other Current assets	-	-
	<b>(4,99,43,234)</b>	<b>92,53,591</b>
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Trade payables	(48,05,296)	(3,37,31,829)
Other financial liabilities	(10,270)	10,270
Other current liabilities	(26,26,017)	13,65,931
Current tax liabilities	3,94,602	(11,49,438)
Provisions	10,46,464	30,947
	<b>(60,00,518)</b>	<b>(3,34,74,119)</b>
<b>Cash generated from operations</b>	<b>(3,21,43,935)</b>	<b>1,98,04,871</b>
Net income tax (paid) / refunds	(19,20,150)	(63,76,139)
<b>Net cash flow from operating activities (A)</b>	<b>(3,40,64,086)</b>	<b>1,34,28,732</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances	(2,53,82,863)	(42,26,058)
Investment Purchased	(64,700)	(61,500)
Long - Term Loans & Advances	22,66,272	(1,74,167)
Other financial asset	(34,23,681)	(14,41,522)
	<b>(2,66,04,972)</b>	<b>(59,03,247)</b>
<b>Net cash flow used in investing activities (B)</b>	<b>(2,66,04,972)</b>	<b>(59,03,247)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from Issue of Share Capital	-	1,80,00,000
Proceeds from Security Premium	-	1,26,00,000
Increase in long term Lease liability	1,69,80,318	(38,62,301)
Increase in other long-term Provisions	8,60,832	1,83,367
Net (increase) / decrease in working capital borrowings	3,59,07,987	15,09,398
Finance cost	(1,21,55,872)	(1,47,13,392)
Increase in long term borrowings	1,98,04,152	(2,09,74,627)
Increase in other financial liability	-	-
<b>Net cash flow used in financing activities (C)</b>	<b>6,13,97,416</b>	<b>(72,57,555)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A-B-C)</b>	<b>7,28,358</b>	<b>2,67,931</b>
Cash and cash equivalents at the beginning of the year	12,93,876	10,25,945
Effect of exchange differences on restatement of foreign currency Cash		
<b>Cash and cash equivalents at the end of the year</b>	<b>20,22,233</b>	<b>12,93,876</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents as per Balance Sheet (Refer Note 9)	20,22,233	12,93,876
Less: Bank balances not considered as Cash and cash equivalents as defined in IND AS 7 Cash Flow Statements (give details)		-
Net Cash and cash equivalents (as defined in IND AS 7 Cash Flow	20,22,233	12,93,876
Add: Current investments considered as part of Cash and cash		
<b>* Comprises:</b>		
(a) Cash on hand	8,77,908	7,42,373
(b) Cheques, drafts on hand		
(c) Balances with banks		
(i) In current accounts	11,44,325	5,51,503
(ii) In EEFC accounts		
(iii) In deposit accounts with original maturity of less than 3		
(iv) In earmarked accounts (give details)		
(d) Others (specify nature)		
Deposits		
(e) Current investments considered as part of Cash and cash		



IN TERMS OF OUR REPORT OF EVEN DATE  
FOR ASHOK HOLANI & CO.  
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
OF NANDANI CREATION LIMITED

Sd/-  
ASHOK HOLANI  
PARTNER  
M.No. 079684

Sd/-  
ANUJ MUNDHRA  
MANAGING DIRECTOR  
DIN: 05202504

Sd/-  
VANDANA MUNDHRA  
WHOLE-TIME DIRECTOR  
DIN: 05202403

DATE: 30.05.2022  
PLACE: JAIPUR  
UDIN: 22079684AMBPG4072

Sd/-  
DWARKA DASS MUNDHRA  
CHIEF FINANCIAL OFFICER

Sd/-  
GUNJAN JAIN  
COMPANY SECRETARY

NANDANI CREATION LIMITED					
CIN: L18101RJ2012PLC037976					
STATEMENT OF CHANGE IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2022					
A. Equity Share Capital					
Particulars			Number of Shares	Amount	
As at April 01st, 2020			82,33,950.00	8,23,39,500.00	
Changes in Equity Share Capital			18,00,000.00	1,80,00,000.00	
As at March 31st, 2021			1,00,33,950.00	10,03,39,500.00	
Changes in Equity Share Capital			-	-	
Ast at March 31st, 2022			1,00,33,950.00	10,03,39,500.00	
B. Other Equity					
	Reserve and Surplus		Retained Earning	Other item of OCI	Total
	General Reserve	Securities Premium			
Balances at the beginning of April 1st, 2020	5,00,000	-	1,91,92,155	-	1,96,92,155
Transition Adjustment for the fair Value change of Investement	-	-	-	46,022	46,022
Total Comprehensive Income for the period	-	-	1,49,90,049	-	1,49,90,049
Securities Premium		1,26,00,000			1,26,00,000
Balance as the end of the period as on March 31st, 2021	5,00,000	1,26,00,000	3,41,82,204	46,022	4,73,28,225
Total Comprehensive Income for the period	-	-	10,21,546		10,21,546
Transition Adjustment for the fair Value change of Investement	-	-	-	48,416	48,416
Ast at March 31st, 2022	5,00,000	1,26,00,000	3,52,03,750	94,438	4,83,98,187

IN TERMS OF OUR REPORT OF EVEN DATE  
FOR ASHOK HOLANI & CO.  
CHARTERED ACCOUNTANTS

Sd/-  
ASHOK HOLANI  
PARTNER  
M.No. 079684

DATE: 30.05.2022  
PLACE: JAIPUR  
UDIN: 22079684AMBPG84072

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
OF NANDANI CREATION LIMITED

Sd/-  
ANUJ MUNDHRA  
MANAGING DIRECTOR  
DIN: 05202504

Sd/-  
DWARKA DASS MUNDHRA  
CHIEF FINANCIAL OFFICER

Sd/-  
VANDANA MUNDHRA  
WHOLE-TIME DIRECTOR  
DIN: 05202403

Sd/-  
GUNJAN JAIN  
COMPANY SECRETARY

**Note No.1 to the financial Statements for the Year ending on 31<sup>st</sup> March 2022****A. BACKGROUND OF THE COMPANY**

The Company was incorporated as Nandani Creation Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation having CIN: U18101RJ2012PLC037976 dated February 21, 2012, in Jaipur. Further, Company was converted into public limited company i.e. Nandani Creation Limited having CIN: L18101RJ2012PLC037976 vide fresh certificate of incorporation dated August 12, 2016.

The registered office of the company is situated G-13 Kartarpura Industrial Area Near 22 Godam, Jaipur-302006.

The company is engaged in Manufacturing, produced, import, export, wholesalers, trader, buyer, seller, job workers of dress materials, suits, sarees, garments of men, women and children including sportswear, active wear, daily wears, fashion wears, party wears wearing apparels purses, belts, wallets, and other allied good made from cotton, silk, synthetics, jute, velvet, woolen, leather, rexine or with any combination thereof and to participate in local, national and international trade fairs, sales exhibitions, seminars, fashion shows or any other sales promotion scheme.

**B. SIGNIFICANT ACCOUNTING POLICIES: -****1. Compliance with Indian Accounting Standards: -**

This is first year, the company has been adopted Indian Accounting Standard (IND AS), therefore the standalone financial statements are prepared in accordance with the IND AS as prescribed under section 133 of The Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standard) Rules 2015 and other relevant provision of this Act.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria as set out in Division II of Schedule III to the Companies Act, 2013.

The standalone financial statements have been prepared on a Historical cost basis except for certain financial assets and liabilities that are measured at fair values.

Earlier the company had been prepared their financial statements accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (Indian GAAP), due to first time adoption of IND AS company has been required to prepare their financial statement accordance to IND AS with complied IND AS 101 "First Time Adoption of IND AS".

**First time adoption of Ind AS (IND AS 101)****A. Basis of Preparation**

The accounting policies set out in Note 1 have been applied in preparing financial statements for the year ended March 31, 2022, the comparative information presented in these financial statements for the year ended March 31, 2021, and in preparation of an opening Ind AS balance sheet at April 1, 2020 (the Company's date of transition). In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

**a. Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**Ind AS optional exemptions****i. Deemed cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value of all its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the

date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Asset. Accordingly, the Company has elected to measure all its property, plant and equipment at their previous GAAP carrying value.

#### **Ind AS mandatory exceptions**

##### **ii. Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2020 are consistent with the estimates as at the same date made in conformity with previous GAAP.

##### **iii. Derecognition of financial assets and financial liabilities**

Ind AS 101 required a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements from a date of entity's choosing, provided the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for these transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 retrospectively from the date of transition to Ind AS.

##### **iv. Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on the facts and circumstances that existed on the date of transition to Ind AS

Reconciliation between previous GAAP and Ind AS

The following reconciliations provide the explanation and qualification of the differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards.

- Reconciliation of Balance Sheet as at April 01, 2020 and March 31, 2021
- Reconciliation of Total Comprehensive Income for the year ended March 31, 2021

Reconciliation of Balance Sheet as at 31 March 2021 and 01 April, 2020

(In ₹ Lakhs)

Particulars	Note No.	As per Previous GAAP 01 April 2020	IND AS Adjustments	As per Ind-AS 01 April 2020	As per Previous GAAP 31 March 2021	IND AS Adjustments	As per Ind-AS 31 March 2021
<b>(1) NON-CURRENT ASSETS</b>							
(a) Property, Plant and Equipment		103.59	-	103.59	112.47	-	112.47
(b) Capital Work-in-Progress		-	-	-	0.54		0.54
(c) Other Intangible Assets		4.85	-	4.85	4.07	-	4.07
(d) Right to use Assets	1	-	219.47	219.47	-	163.96	163.96
(e) Financial Assets		-	-	-	-		-
(i) Investments	2	52.90	1.03	53.93	52.90	1.65	54.55
(ii) Loans		20.92	-	20.92	22.66	-	22.66
(iii) Other Financial Assets		26.16	-	26.16	40.57	-	40.57
(f) Current Tax Assets		-	-	-	-		-
(g) Deferred Tax Assets (Net)	3	6.76	2.27	9.04	7.00	12.17	19.18
(h) Other Non-current Assets		-	-	-	-		-
<b>Subtotal Non-Current Assets</b>		<b>215.18</b>	<b>222.78</b>	<b>437.96</b>	<b>240.22</b>	<b>177.78</b>	<b>417.99</b>
<b>(2) CURRENT ASSETS</b>							
(a) Inventories		1,552.53	-	1,552.53	1,387.53		1,387.53
(b) Financial Assets		-		-	-		-
(i) Investments		-		-	-		-
(ii) Trade Receivables		533.60	-	533.60	514.89		514.89
(iii) Cash and Cash Equivalents		6.95	-	6.95	7.42		7.42
(iv) Bank balance other than (iii) above		3.31	-	3.31	5.52		5.52
(v) Other Financial Asset		195.88	-	195.88	287.06		287.06
(c) Other Current Assets		-	-	-	-		-
<b>Subtotal Current Assets</b>		<b>2,292.28</b>	<b>-</b>	<b>2,292.28</b>	<b>2,202.42</b>	<b>-</b>	<b>2,202.42</b>
<b>Total Assets (1+2)</b>		<b>2,507.46</b>	<b>222.78</b>	<b>2,730.24</b>	<b>2,442.64</b>	<b>177.78</b>	<b>2,620.42</b>
<b>EQUITY AND LIABILITIES</b>							
<b>(1) EQUITY</b>							
(a) Equity Share capital		823.40	-	823.40	1,003.40	-	1,003.40
(b) Reserve & Surplus		183.78	13.14	196.92	487.78	(14.50)	473.28



Total Equity		1,007.17	13.14	1,020.32	1,491.18	(14.50)	1,476.68
(2) LIABILITIES							
(2) Non-Current Liabilities							
(a) Financial liabilities							
(i) Long Term Borrowings	4	395.39	(9.84)	385.56	179.11	(3.30)	175.81
(ia) Lease liabilities	1	-	193.43	193.43	-	154.80	154.80
(ii) Trade payables		-		-	-		-
A. Total outstanding dues of micro enterprises and small enterprises		0.08		0.08	0.08		0.08
B. Total outstanding dues of creditors other than micro enterprises and small enterprises		5.43		5.43	0.09		0.09
(iii) Other financial liabilities		-	-	-	-	-	-
(b) Provisions		7.84	-	7.84	9.85	-	9.85
(c) Deferred tax liabilities (net)		-	-	-	-	-	-
(d) Other non-current liabilities		-	-	-	-	-	-
Sub Total Non-Current Liabilities		408.74	183.59	592.33	189.14	151.51	340.65
(3) Current Liabilities							
(a) Financial liabilities		-					
(i) Borrowings		385.33	-	385.33	400.43	-	400.43
(ii) Trade payables		-		-	-	-	-
A. Total outstanding dues of micro enterprises and small enterprises		411.38		411.38	110.36	-	110.36
B. Total outstanding dues of creditors other than micro enterprises and small enterprises		242.99		242.99	212.02	-	212.02
(iii) Other financial liabilities		-	-	-	0.10	-	0.10
(b) Other current liabilities	1	11.36	26.04	37.40	10.29	40.77	51.06
(c) Provisions		15.86	-	15.86	15.99	-	15.99
(d) Current tax liabilities (net)		24.63	-	24.63	13.13	-	13.13
Subtotal Current Liabilities		1,091.54	26.04	1,117.59	762.32	40.77	803.09
Total Liabilities (3+4)		1,500.29	209.64	1,709.92	951.46	192.28	1,143.74
Total Equity and Liabilities (3+4+5)		2,507.46	222.78	2,730.24	2,442.64	177.78	2,620.42

\*Balances as per Previous GAAP have been reclassified/regrouped to match with Ind AS classification

Reconciliation of Total Comprehensive Income for The Year Ended March 31,2021

(Rs. in Lakhs)

Particulars	Note No.	Indian GAAP	IND AS Adjustments	Ind-AS
<b>Income</b>				
<b>I. Revenue from operations</b>		4,568.86	-	4,568.86
<b>II. Other Income</b>		40.62	-	40.62
<b>III. Total Income (I + II)</b>		<b>4,609.48</b>	-	<b>4,609.48</b>
<b>IV Expenses:</b>			-	
Cost of materials consumed		679.37	-	679.37
Purchases of Stock-in-trade		964.58	-	964.58
Changes in stock of finished goods, work-in-progress, and stock-in-trade		225.24	-	225.24
Employee benefit expense		149.10	-	149.10
Finance costs	4	118.45	28.68	147.13
Depreciation and amortisation expense	1	33.62	55.52	89.14
Other expenses	1	2,192.85	(46.04)	2,146.81
<b>Total expenses (IV)</b>		<b>4,363.20</b>	<b>38.16</b>	<b>4,401.36</b>
<b>V Profit before exceptional and tax (III - IV)</b>		<b>246.28</b>	<b>(38.16)</b>	<b>208.12</b>
<b>VI Exceptional items</b>		4.60	-	4.60
<b>VII Profit before tax (V-VI)</b>		<b>241.68</b>	<b>(38.16)</b>	<b>203.52</b>
<b>VIII Tax expense</b>			-	
Current tax		63.73	-	63.73
Tax expense for previous year		0.19	-	0.19
Deferred tax	3	0.24	10.05	10.29
<b>IX Profit for the period (VII-VIII)</b>		<b>178.01</b>	<b>(28.11)</b>	<b>149.90</b>
<b>X Other Comprehensive Income</b>			-	
(i) Items that will not be reclassified to profit or loss		-	-	-
(ii) Income tax on above		-	-	-
(i) Items that will be reclassified to profit or loss	2	-	0.62	0.62
(ii) Income tax on above		-	(0.15)	(0.15)
<b>Total Other Comprehensive Income (X)</b>		-	0.46	0.46
<b>XI. Total Comprehensive Income for the year (IX+X)</b>		<b>178.01</b>	<b>(27.65)</b>	<b>150.36</b>

\*Balances as per Previous GAAP have been reclassified/regrouped to match with Ind AS classification.

Explanations for reconciliation of Balance sheet as previously reported under previous GAAP to Ind AS

- Right to use of assets and Lease Liabilities:** - Right to use of assets and Lease Liabilities are recognised as per IND AS 116 "Leases" retrospectively from transition date and current maturities of lease liabilities are shown under other current liabilities. Right to use of assets is shown less depreciation and lease rent reversed as per IND AS requirements from transition date.
- Investments:** - Investments are revalued as per IND AS 28 "Investments" from transition date on fair market value basis and their profit and loss are accounted in other comprehensive income (OCI).
- Deferred Tax:** - Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences

between taxable profits and accounting profits for the period. Ind AS 12 income Taxes requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of asset or liability in the balance sheet and its corresponding tax base. The application of Ind AS 12 approaches has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or as separate component of equity.

**4. Long Term Borrowings:** - borrowings are recognised as per IND AS 109 "Financial Instruments" retrospectively from transition date and their simultaneously effect are provided in finance cost.

**Reconciliation of between financial results and equity as per IND AS and as previously reported under GAAP for the year as under**

(Rs. in Lakhs)

Total comprehensive Income Reconciliation	Year Ended 31.03.2021
Net profit as reported under previous GAAP	178.01
Interest on lease	(28.68)
Depreciation on Lease hold Land	(55.52)
Reversal of Lease	46.04
Deferred Tax Impact	10.05
Net Profit as per IND AS	149.90
Other Comprehensive Income net of tax	0.46
Total comprehensive income as per IND AS	150.36

Equity Reconciliation	Year Ended 31.03.2021
Equity Reported under previous GAAP	487.78
Right to use assets	163.96
Investment on fair value	1.65
Lease Liabilities	(195.58)
Amortisation of borrowing cost	3.30
Impact of deferred tax assets	12.17
Net Equity under IND AS	473.28

**2. Use of estimates and judgments: -**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosure and the disclosure of contingent liabilities. Uncertainty about these estimates and assumptions could result in outcomes that requires material adjustments to the carrying amount of the assets and liabilities in future period/s.

These estimates and assumptions are based on the facts and events, that existed as at the date of Statement of Financial Position, or that occurred after that date but provide additional evidence about conditions existing as at the Statement of Financial Position date.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

#### **I. Useful lives of Property, Plant and Equipment**

The Property, Plant and Equipment are depreciated, on written down value basis in the case of other assets, over their respective useful lives. Management estimates the useful lives of these assets as detailed in Point 10. Changes in the expected level of usage, technological developments, level of wear and tear could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised and could have an impact on the profit/loss in future years.

#### **II. Retirement benefit obligation**

The cost of retirement benefits and present value of the retirement benefit obligations in respect of Gratuity is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, these retirement benefit obligations are sensitive to changes in these assumptions.

All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of Government Bonds with a tenure similar to the expected working lifetime of the employees. The mortality rate is based on publicly available mortality table for the specific countries.

#### **III. Fair value measurement of financial instrument**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### **3. Functional and presentation currency: -**

The financial statements are prepared in Indian Rupees ('Rs.'), which is the Company's functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the lakhs with nearest two decimal places, unless stated otherwise.

#### **4. Current versus non-current classification: -**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it is: -

- expected to be realized, or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realized within 12 months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it is:

- expected to be settled in the normal operating cycle,
- held primarily for the purpose of trading,
- due to be settled within 12 months after the reporting date; or
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

**Operating Cycle:**

The operating cycle is the time between acquisition of assets for processing and their realization in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

**5. Revenue Recognition: -**

Revenue has been recognised as per IND AS 18- Revenue Recognition issued by Central Government of India under the supervision and control of Accounting Standards Board (ASB) of Institute of Chartered Accountants of India. Revenue from sale of goods is recognized when significant risk and rewards of ownership of the goods have been passed to the buyer and it is reasonable to expect ultimate collection. Sale of goods is recognized net of GST and other taxes as the same is recovered from customers and passed on to the government

**6. Taxes on Income: -**

Tax expense for the year comprises of Current Tax and Deferred Tax.

**a) Current Tax**

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the tax regime inserted by the Taxation Laws (Amendment) Act, 2019 in the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.

**b) Deferred Tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

For detailed breakup of current year deferred tax refer to sub note 7. (Notes to the accounts)

**7. Provisions and Contingent Liability: -****a) Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of 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 to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**b) Contingent Liabilities**

A disclosure for a contingent liability is made 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 arising because of past event that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

For detailed contingent assets and liabilities refer to note 32. (Notes to the accounts)



**8. Tangible Assets & Capital Work-In-Progress: -**

Tangible Assets are stated at cost less Depreciation. Cost includes taxes, duties, freight and other incidental expenses related to acquisition, improvements and installation of the assets.

**9. Property, Plant & Equipment (PPE): -**

Property, Plant & Equipment, except the land, which is carried at its fair value, are accounted for on historical cost basis (inclusive of the cost of installation and other incidental costs till commencement of commercial production) net of recoverable taxes, less accumulated depreciation, and impairment loss, if any. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are added to the existing 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. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Depreciation on property, plant & equipment is provided on pro-rata basis, on written down value basis in the case of Plant & Machinery, Buildings and Data Processing Equipment, over the useful life of the assets estimated by the management, in the manner prescribed in Schedule II of the Companies Act, 2013. The asset's residual values, useful lives and method of depreciation are reviewed at the end of each reporting period and necessary adjustments are made accordingly, wherever required. The useful lives in the following cases are different from those prescribed in Schedule II of the Companies Act, 2013. The Useful Life of Various assets are mentioned in the Chart below.

Class of Assets	Useful Life as per Schedule II	Useful Life as per Group
Computer	3 years	3 Years
Furniture & Fixtures	10 Years	10 Years
Office Equipments	5 Years	5 Years
Plant and Equipments	15 Years	15 Years
Vehicles	10 Years	10 Years
Motor Car	8 Years	8 years

**11. Financial Instruments: -**

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

**1) Financial Assets**

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

**a) Initial recognition and measurement**

At initial recognition, all financial assets are recognized at its fair value, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are 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.

**b) Classification and subsequent measurement**

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

- I. Financial assets measured at amortized cost.
- II. Financial assets measured at fair value through other comprehensive income (FVTOCI); and
- III. Financial assets measured at fair value through profit and loss (FVTPL)

Where financial assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Profit and Loss (i.e. fair value through profit and loss), or recognized in other comprehensive income (i.e. fair value through Other Comprehensive Income).

The classification of financial assets depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of its financial assets at initial recognition.

#### **I. Financial assets measured at amortized cost:**

A financial asset is measured at amortized cost if both the following conditions are met:

- **Business Model Test:** The objective of the business model is to hold financial asset in order to collect contractual cash flows (rather than to sell the asset prior to its financial maturity to realize its fair value changes); and
- **Cash Flow Characteristics Test:** Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such financial asset is subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in interest income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit or loss. This category generally applies to trade receivables, deposits with banks, security deposits, investment in debt instruments, cash and cash equivalents and employee loans, etc.

#### **II. Financial instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI):**

A financial instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- **Business Model Test:** The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- **Cash Flow Characteristics Test:** The Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on principal amount outstanding.

Financial instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value. Fair value movements are recognized in Other Comprehensive Income (OCI) except for the recognition of interest income, impairment gains and losses and foreign exchange gain and losses which are recognized in the Statement of Profit and Loss. This category generally applies to non-current investments in un-quoted equity instruments.

#### **III. Financial instruments measured at Fair Value Through Profit and Loss (FVTPL)**

Fair Value Through Profit and Loss is a residual category. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or fair value through other comprehensive income is classified as FVTPL. Financial instruments included in FVTPL category are measured initially as well as at each reporting period at fair value. Fair value movements i.e., gain or loss and interest income are recorded in Statement of Comprehensive Income.

#### **a. Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial Assets measured at amortized cost.
- Financial Assets measured at FVTOCI.

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Financial assets that are debt instruments, and are measured at amortized cost i.e. trade receivables, deposits with banks, security deposits and employee loans etc.
- Financial assets that are debt instruments and are measured at FVTOCI. The Company as at the Balance Sheet date is not having any such instruments.

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The trade receivables are initially recognized at the sale/recoverable value and are assessed at each Balance Sheet date for collectability. Trade receivables are classified as current assets, if collection is expected within twelve months as at Balance Sheet date, if not, they are classified under non-current assets.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months (Expected Credit Loss) ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on timely basis.

#### **b. Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's Balance Sheet date) when:

- a) The rights to receive cash flows from the asset have been expired/transferred, or
- b) The Company retains the contractual right 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 Company has transferred an asset, it evaluates whether it has substantially transferred all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. When the Company has not transferred substantially all the risks and rewards of ownership of a financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. When the entity retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

## **2) Financial Liabilities**

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

### **a) Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include loans, borrowings, trade payables, security deposits and other payables etc.

### **b) Subsequent measurement**

All the financial liabilities after initial recognition at fair value, are subsequently measured at amortized cost using EIR method. Amortized cost is calculated by considering any discount or premium on acquisition and costs or fee that is an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

**c) Financial Guarantee Contract**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

**d) 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 de-recognition 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.

**e) Offsetting of financial instruments:**

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet, if there is enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**12. Earnings per Share: -**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. The numbers of equity shares are adjusted retrospectively for all periods presented.

**The Calculation of Weighted Average Number of Equity Shares for Earning per share is described below: -**

Particulars	Current Year			Previous Year		
	No. Of Shares outstanding	No. Of Days outstanding	Weighted average number of Shares	No. Of Shares Outstanding	No. Of Days outstanding	Weighted average number of Shares
Number of Shares outstanding at the Beginning of the year	10033950	365	10033950	8233950	365	8233950
By way of Bonus Issue	0	0	0	0	0	0
Issue through preferential allotment	0	0	0	1800000	9	44384
Total Shares outstanding at the end of the year	10033950		10033950	10033950		8278333.56

The Calculation of Weighted Average Number of Equity Shares for Restated Earnings per share described below: -

Particulars	Current Year			Previous Year		
	No. Of Shares outstanding	No. Of Days outstanding	Weighted average number of Shares	No. Of Shares Outstanding	No. Of Days outstanding	Weighted average number of Shares
Number of Shares outstanding at the Beginning of the year	10033950	365	10033950	8233950	0	8233950
By way of Bonus	0	0	0	0	0	0
Issue through preferential allotment	0	0	0	1800000	9	44384
<b>Total Shares outstanding at the end of the year</b>	<b>10033950</b>		<b>10033950</b>	<b>10033950</b>		<b>8278333.56</b>

13. Investments:-

Non-Current/ Long-term Investments are stated at fair value as per IND AS 32 and 109 except investment in subsidiaries are stated at cost. Provision is made for diminution in the value of the investments, if, in the opinion of the management, the same is considered to be other than temporary in nature. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Current investments are carried at lower of cost and fair value determined on an individual basis. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Investments are either classified as current or non-current based on management's intention. Long Term Investments includes investment made in the share capital of Subsidiary Company which are carried at cost.

14. Foreign Currency Transactions:-a. Initial recognition

Transactions in foreign currency are accounted for at exchange rates prevailing on the date of the transaction.

b. Measurement of foreign currency monetary items at Balance Sheet date

Foreign currency monetary items (other than derivative contracts) as at Balance Sheet date are restated at the year End rates.

c. Exchange difference

Exchange differences arising on settlement of monetary items are recognized as income or expense in the period in which they arise.

Exchange difference arising on restatement of foreign currency monetary items as at the year End being difference between exchange rate prevailing on initial recognition/subsequent restatement on reporting date and as at current reporting date is adjusted in the Statement of Profit & Loss for the respective year.

Any expense incurred in respect of Forward contracts entered into for the purpose of hedging is charged to the Statement of Profit and loss.



**15. Inventories -**

The Inventories are carried in the Balance Sheet as follows:

- A. Raw materials and stores & spares: At lower of cost and net realizable Value
- B. Finished goods and stock-in-process: At lower of cost, and net realizable value. Cost includes cost of inputs, conversion costs and other costs incurred in bringing finished goods and stock-in-process, to their present location and condition.

The net-realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make sale.

**16 Duty Drawback: -**

Duty Drawback is recorded on Receipt basis. Management is not able to estimate the amount of Claim receivable, therefore the duty drawback is recorded on receipt basis rather than on Accrual basis.

**17. Prior Period Expenses: -**

Prior Period Expenses for previous years have been expensed out during the current year and it is disallowed as per Income Tax Act.

**18. Management Remuneration: -**

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been provided in the below mentioned table: -

**A. Remuneration to Managing Director, WTD and / or Manager:****(Rs. in Lakhs)**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		MD	WTD	
1.	Gross Salary	32.67	19.80	52.47
	a) Salary as per Provisions contained in section 17(1) of the Income Tax Act, 1961.			
	b) Value of perquisites u/s 17 (2) of Income Tax Act, 1961			
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2.	Stock option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission	0	0	0
5.	Any other Benefits	0	0	0
	Total	32.67	19.80	52.47
	Ceiling as per Schedule V of the Companies Act on the account of inadequate profit			60.00

The remuneration is paid as per limits sets out in Section II Part A of Schedule V in case of no profit or inadequate profit and as per resolution passed in the General meeting of the members.

**B. Remuneration to key managerial personnel other than MD / Manager/ WTD: -**

Sr. No.	Particulars of Remuneration	Name of Managerial Person other than MD / WTD / Manager			Total Amount
		CEO	CFO	CS	
1.	Gross Salary	0.00	3.60	4.82	8.42
	a) Salary as per Provisions contained in section 17(1) of the Income Tax Act,1961.	0	0	0	0
	b) Value of perquisites u/s 17 (2) of Income Tax Act,1961	0	0	0	0
	c)Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2.	Stock option	0	0		0
3.	Sweat Equity	0	0		0
4.	Commission	0	0		0
5.	Any other Benefits	0	0		0
	<b>Total</b>	<b>0.00</b>	<b>3.60</b>	<b>4.82</b>	<b>8.42</b>

**19. Cash and Cash Equivalents: -**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, fixed deposits with banks which are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

**20. Segment Reporting: -**

The activities of the company are such that the According to IND AS-108 "Operating Segment": is not applicable in the company.

**21. Lease: -**

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. The Company allocates the consideration in the contract to the lease based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include net present value of the following lease payments:

- Fixed payments (including in substance fixed payments), less any lease incentives receivable,
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- Amounts expected to be payable by the Company under residual value guarantees,
- The exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for lease in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in similar economic environment with similar terms,

security, and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability,
- Any lease payments made at or before the commencement date less any lease incentives received,
- Any initial direct costs, and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of twelve months or less.

## **22. Impairment of Non-Financial Assets: -**

The Company assesses at each reporting date, using external and internal sources, whether there is an indication that a non-financial asset may be impaired and whether there is an indication of reversal of impairment loss recognised in the previous period/s. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying value of an asset exceeds its recoverable amount.

The recoverable amount is determined:

- in the case of an individual asset, at the higher of the asset's fair value less cost of sell and value in use; and
- in the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of the cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that effects current market assessments of the time value of money and the risks specific to that asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

An impairment loss for an asset is reversed, if and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized, the carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss being recognized for the asset in prior year/s.

## **23. Employee Benefits: -**

### **a. Short Term Employee Benefits**

All Employee benefits payable within twelve months of rendering the services are classified as short-term benefits. Such benefits include salaries, wages, bonus, awards, ex-gratia etc. and the same are recognized in the period in which the employee renders the related services.

### **b. Defined contribution plan:**

The Company's approved provident fund scheme, pension scheme, employees' state insurance scheme, and employees' superannuation scheme are defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.

### **c. Defined Benefit Plan**

The employees' Gratuity fund scheme is the Company's defined benefit plan and is partly funded / managed by a Trust. The liability with respect to gratuity is determined based on the actuarial valuation on projected unit credit method as at the balance sheet date. The difference, if any, between the actuarial valuation and the balance of the funds maintained by the Trust, is provided for as liability / assets in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which

they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

**d. Other Long-Term Benefit**

The liability towards encashment of the employees' long term compensated absences, which are partly en-cashable during the service period and balance at the time of retirement / separation of the employees is determined based on the actuarial valuation on projected unit credit method as at the balance sheet date. Re-measurement, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

**C. Others Accounting Policies**

1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements / information may not necessarily be same as those appearing in the respective audited financial statements for the previous year.
2. The Micro Small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006 have been taken based on the list of MSME creditors provided by the management. However, as the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.
3. Unsecured loans, advances from customers, advances recoverable in cash or in kind, investments and various other parties are subject to confirmations.
4. Cash Balance is taken as valued & certified by management and bank balances are taken as per bank reconciliation.

**C. Notes to Accounts: -**

1. The Financial Statements for the year ended on 31st March 2022 are prepared based on Division II of Schedule III of Companies Act 2013.
2. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements / information may not necessarily be same as those appearing in the respective audited financial statements for the previous year.
3. The Micro Small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006 have been taken based on the list of MSME creditors provided by the management. However, as the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.

**4. Related Party Disclosure (IND AS 24): - Related party transactions are reported as per IND AS-24, as amended, in the below mentioned table:**

Nature of Transaction	Period	
	2021-22	2020-21
<b>1. Mr. Anuj Mundra (MD)</b>		
Remuneration (Gross Paid)	32,67,000.00	27,00,000.00
Rent Paid	0.00	6,30,000.00
Interest Paid	0.00	9,33,865.00
Equity Contribution	0.00	1,19,00,000.00
Repayment of Loan	11,49,247.78	1,07,73,344.33
<b>2. Mrs. Sunita Devi Mundra (WTD)</b>		
Remuneration(Gross Paid)	7,92,000.00	7,20,000.00
Rent Paid	0.00	0.00
Interest Paid	0.00	5,68,936.00
Equity Contribution	0.00	93,50,000.00
Repayment of Loan	8,35,120.00	30,64,670.00
<b>3.Mrs. Vandana Mundra (WTD)</b>		
Remuneration (Gross Paid)	11,88,000.00	1,080,000.00
Royalty paid	20.00	0.00
Interest paid	0.00	4,77,988.00
Equity Contribution	0.00	93,50,000.00
Repayment of Loan	5,66,011.00	16,88,850.00
<b>4. Mr. Dwarka Das Mundra (CFO)</b>		
Remuneration (Gross Paid)	3,60,000.00	3,60,000.00
Repayment of Loan	23,527.00	57,896.00
Equity Contribution	0.00	0.00
<b>5.Gunjan Jain (CS)</b>		
Remuneration (Gross Paid)	4,82,000.00	3,53,300.00
<b>6.Desi Fusion India Private Limited</b>		
Job Charges	0.00	0.00
Stitching Charges	35,19,633.00	1,01,03,614.00
Interest Received	1,52,973.00	1,88,289.00
Purchase Goods	16,69,50,767.63	10,60,32,165.90
Sale of Goods	24,00,000.00	9,89,168.30
Unsecured Loan to Company	0.00	0.00



**5. Accounting for "Income Taxes" (IND AS 12): - Deferred Tax liability/Asset in view of IND AS – 12 as at the end of the year / period is reported in the below mentioned table: -**

Particulars	As at 31 March, 2022	As at 31 March, 2021
WDV as per income tax act	1,76,35,060	1,44,37,269
WDV as per company law	1,16,54,332	1,16,54,328
Difference in written down value as per Companies Act and Income Tax Act	59,80,728	27,82,941
Opening value of Investment at fair Value	4,67,495	3,93,500
Fair Value of Investment as per IND AS	5,19,700	4,55,000
Difference in value as per Companies Act and Income Tax Act	(52,205)	(61,500)
Value of Secured borrowing as opening balance GAAP restated	6,72,60,192	3,76,99,884
Value of Secured borrowing as per IND AS closing balance	6,61,85,524	3,83,53,325
Difference in value as per Companies Act and Income Tax Act	10,74,668	(6,53,441)
Value of lease Liability as per IND AS	3,42,83,249	2,19,47,163
Value of lease asset as per IND AS	3,05,62,979	1,63,95,507
Difference in lease assets and liability	37,20,270	55,51,655
<b>Total</b>	<b>1,07,23,461</b>	<b>76,19,656</b>
<b>Tax rate @ 25.168%</b>	<b>26,98,881</b>	<b>19,17,715</b>
<b>Opening balance DTA</b>	<b>19,17,715</b>	<b>9,03,756</b>
<b>Net deferred tax asset</b>	<b>7,81,166</b>	<b>10,13,959</b>

The Company has recognized deferred tax asset on Depreciation as per books and depreciation allowable as per Income Tax Act 1961.

The net deferred tax asset is classified as non-current assets and disclosed on the face of the Balance Sheet.

6. Amounts in the financial statements Amounts in the financial statements are rounded off to nearest rupee. Figures in brackets indicate negative values.

7. Unsecured loans, advances from customers, advances recoverable in cash or in kind, investments and various other parties are subject to confirmations.

8. The management of the company has carried out an exercise to ascertain impairment of Fixed Assets, if any. In the opinion of the management of the company there is no indication of impairment of assets as at 31/03/2022 and therefore no effect of impairment is required to be given in the books of account.

9. Cash Balance is taken as valued & certified by management.

## 10. Pending Litigations and Criminal Proceedings: -

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by our Company, our Directors, our Promoters and our Group Entities and there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions by our Company, default in creation of full security as per terms of issue/other liabilities. No proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule V to the Companies Act other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchange against our Company, our Promoters, our directors, and Group Entities.

Further, except as stated herein, there are no past cases in which penalties have been imposed on our Company, our Promoters, our directors or our Promoter Group Entities, and there is no outstanding litigation against any other Company whose outcome could have a material adverse effect on the position of our Company. Further, there are no cases of litigation, defaults etc. in respect of companies / firms / ventures with which the Promoters were associated in the past but are no longer associated, in respect of which the name(s) of the Promoters continues to be associated.

Further, apart from those as stated below, there are no show-cause notices / claims served on our Company our Promoters, our Directors or our Group Entities from any statutory authority / revenue authority that would have a material adverse effect on our business.

## a. Outstanding Demands relating to Direct Taxes: -

There is no Demands relating to Direct Taxes.

## b. Outstanding Demands relating to Indirect Taxes: -

There is no Demands relating to Indirect Taxes.

Notes 2.1 Property, Plant and Equipment										
Particulars	Gross Carrying Amount				Depreciation / Amortization				Net Carrying Amount	
	As at April 01st, 2021	Addition During the Year	Disposals/ Adjustments	Balance as at 31st Mar, 2022	As at April 01st, 2021	Depreciation / amortisation expense for the year	Disposals/ Adjustments	Balance as at 31st Mar, 2022	Balance as at 31st Mar, 2022	Balance as at 31st March, 2021
<b>A. Tangible Assets</b>										
(a) Plant and Equipment	-				-					-
Owned	93,60,692	20,87,348		1,14,48,039	31,16,975	13,56,779		44,73,753.96	69,74,285	62,43,717
(b) Furniture and Fixtures	-			-	-			-	-	-
Owned	68,50,709	14,28,023	-	82,78,732	37,97,026	9,54,760	-	47,51,786.19	35,26,946	30,53,682
(c) Office equipment	-			-	-			-	-	-
Owned	41,71,461	16,08,633		57,80,094	33,57,619	5,70,766	-	39,28,385.20	18,51,708	8,13,842
(d) Computer	-			-	-			-	-	-
Owned	20,46,402	35,593		20,81,995	18,57,642	68,900	-	19,26,542.40	1,55,453	1,88,760
(e) Vehicles	-			-	-			-	-	-
Owned	39,33,479			39,33,479	29,86,021	2,99,739	-	32,85,760.27	6,47,719	9,47,458
<b>Total</b>	<b>2,63,62,742</b>	<b>51,59,597</b>	<b>-</b>	<b>3,15,22,339</b>	<b>1,51,15,284</b>	<b>32,50,944</b>	<b>-</b>	<b>1,83,66,228</b>	<b>1,31,56,111</b>	<b>1,12,47,458</b>
<b>B. Intangible Assets</b>										
Software	6,22,881	-	-	6,22,881	2,16,011	74,627		2,90,638	3,32,243	4,06,870
<b>Total B</b>	<b>6,22,881</b>	<b>-</b>	<b>-</b>	<b>6,22,881</b>	<b>2,16,011</b>	<b>74,627</b>	<b>-</b>	<b>2,90,638.00</b>	<b>3,32,243</b>	<b>4,06,870</b>
<b>Grand Total A+B</b>	<b>2,69,85,623</b>	<b>51,59,597</b>	<b>-</b>	<b>3,21,45,220</b>	<b>1,53,31,295</b>	<b>33,25,571</b>	<b>-</b>	<b>1,86,56,866</b>	<b>1,34,88,354</b>	<b>1,16,54,328</b>

Notes 2.1 Property, Plant and Equipment										
Particulars	Gross Carrying Amount				Depreciation / Amortization				Net Carrying Amount	
	As at April 01st, 2020	Addition During the Year	Disposals/ Adjustments	Balance as at 31st March, 2021	As at April 01st, 2020	Depreciation / amortisation expense for the year	Disposals/ Adjustments	Balance as at 31st March, 2021	Balance as at 31st March, 2021	Balance as at 31st March, 2020
<b>A. Tangible Assets</b>										
(a) Plant and Equipment										
Owned	53,72,592	39,88,100		93,60,692	19,97,758	11,19,217		31,16,974.96	62,43,717	33,74,834
(b) Furniture and Fixtures				-				-	-	-
Owned	68,07,423	43,286	-	68,50,709	27,36,048	10,60,978	-	37,97,026.19	30,53,682	40,71,375
(c) Office equipment				-				-	-	-
Owned	40,93,556	77,905		41,71,461	28,14,097	5,43,522	-	33,57,619.20	8,13,842	12,79,459
(d) Computer				-				-	-	-
Owned	19,83,266	63,136		20,46,402	17,36,662	1,20,980	-	18,57,642.40	1,88,760	2,46,604
(e) Vehicles				-				-	-	-
Owned	39,33,479			39,33,479	25,46,541	4,39,480	-	29,86,021.27	9,47,458	13,86,938
<b>Total A</b>	<b>2,21,90,316</b>	<b>41,72,426</b>	<b>-</b>	<b>2,63,62,742</b>	<b>1,18,31,107</b>	<b>32,84,177</b>	<b>-</b>	<b>1,51,15,284</b>	<b>1,12,47,458</b>	<b>1,03,59,209</b>
<b>B. Intangible Assets</b>										
Software	6,22,881	-	-	6,22,881	1,38,087	77,924		2,16,011	4,06,870	4,84,794
<b>Total B</b>	<b>6,22,881</b>	<b>-</b>	<b>-</b>	<b>6,22,881</b>	<b>1,38,087</b>	<b>77,924</b>	<b>-</b>	<b>2,16,011.00</b>	<b>4,06,870</b>	<b>4,84,794</b>
<b>Grand Total A+B</b>	<b>2,28,13,197</b>	<b>41,72,426</b>	<b>-</b>	<b>2,69,85,623</b>	<b>1,19,69,194</b>	<b>33,62,101</b>	<b>-</b>	<b>1,53,31,295</b>	<b>1,16,54,328</b>	<b>1,08,44,003</b>

Notes 2.2 Right to Use Assets					
Particulars	As at April 01st, 2021	Addition During the Year	Disposals/ Adjustments	Depreciation	Balance as at 31st Mar, 2022
Building	1,63,95,507	2,60,50,561	(57,73,663)	(61,09,426)	3,05,62,979
<b>Total</b>	<b>1,63,95,507</b>	<b>2,60,50,561</b>	<b>(57,73,663)</b>	<b>(61,09,426)</b>	<b>3,05,62,979</b>
Particulars	As at April 01st, 2020	Addition During the Year	Disposals/ Adjustments	Depreciation	Balance as at 31st Mar, 2021
Building	2,19,47,163	-	-	(55,51,655)	1,63,95,507
<b>Total</b>	<b>2,19,47,163</b>	<b>-</b>	<b>-</b>	<b>(55,51,655)</b>	<b>1,63,95,507</b>

Note 2.3 Capital Work in Progress			
Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Project 1 (Showroom)	-	53,632	-
<b>Total</b>	<b>-</b>	<b>53,632</b>	<b>-</b>

Note 3 Non-current investments									
Particulars	As at 31 March, 2022			As at 31 March, 2021			As at 31 March, 2020		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Investments :									
(a) Investment in equity instruments									
(a) Desi Fusion India Pvt Ltd.499950 shares @ Rs 10/-each (Subsidiary Company)		49,99,500	49,99,500		49,99,500	49,99,500		49,99,500	49,99,500
(b) Investment in preference shares									
(c) Investment in debentures or bonds									
(d) Other investments									
Sovering Gold Bond Scheme 2017-18 (Interest rate @2.5% every half year ended)	5,19,700	-	5,19,700	4,55,000	-	4,55,000	3,93,500		3,93,500
<b>Total - investments</b>	<b>5,19,700</b>	<b>49,99,500</b>	<b>55,19,200</b>	<b>4,55,000</b>	<b>49,99,500</b>	<b>54,54,500</b>	<b>3,93,500</b>	<b>49,99,500</b>	<b>53,93,000</b>
Less: Provision for diminution in value of investments									
<b>Total</b>			<b>55,19,200</b>			<b>54,54,500</b>			<b>53,93,000</b>
Aggregate market value of listed and quoted investments	-			-			-		
Aggregate value of listed but not quoted investments									
Aggregate amount of unquoted investments	-	<b>49,99,500</b>			<b>49,99,500</b>		-	<b>49,99,500</b>	

<b>Note No. 4 Trade receivables (Non Current)</b>			
<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>	<b>As at 1 April, 2020</b>
<b>Trade receivables (Refer Note (1) below)</b>			
Trade Receivable considered good- Secured	-	-	-
Trade Receivable considered good- UnSecured	39,93,305	14,73,959	73,448
Trade Receivable which have significant increase in Credit Risk	-	-	-
Trade Receivables -Credit Impaired	-	-	-
	39,93,305	14,73,959	73,448
Less: Provision for doubtful trade receivables			
	39,93,305	14,73,959	73,448
<b>Total</b>	<b>39,93,305</b>	<b>14,73,959</b>	<b>73,448</b>
<b>Note 4.1: Trade receivables include debts due from:</b>			
<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>	<b>As at 1 April, 2020</b>
Directors *			
Other officers of the Company *			
Firms in which any director is a partner			
Private companies in which any director is a director or member			
	-	-	-
<b>Note No. 5 Loans &amp; Advances (Non Current)</b>			
<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>	<b>As at 1 April, 2020</b>
(a) Loans:			
to Subsidiaries	-	22,66,272	20,92,105
to other body corporate			
to employees			
<b>Total</b>	<b>-</b>	<b>22,66,272</b>	<b>20,92,105</b>
<b>Note No. 5.1 Loans Classification</b>			
<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>	<b>As at 1 April, 2020</b>
Loans Receivable considered good- Secured			
Loans Receivable considered good- UnSecured	-	22,66,272	20,92,105
Loans Receivable which have significant increase in Credit Risk			
Loans Receivables -Credit Impaired			
<b>Total</b>	<b>-</b>	<b>22,66,272</b>	<b>20,92,105</b>
<b>Note No. 6 Other Financial asset (Non Current)</b>			
<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>	<b>As at 1 April, 2020</b>
1. Security deposits	69,33,868	33,88,883	19,93,992
Less: Allowance for doubtful loans			
	69,33,868	33,88,883	19,93,992
2. Balances with government authorities			
Unsecured, considered good			
	-	-	-
3. Balance with revenue authorities			
(i) Tax Deducted at Source/Advance Tax	-	-	24,348
			-
	-	-	24,348
4. Prepaid expenses- Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)			
	-	-	-
5. Bank Deposits having more than 12 Months Maturity	5,47,169	6,68,473	5,97,494
Less: Allowance for doubtful loans			
	5,47,169	6,68,473	5,97,494
6. Others (Advance recoverable in cash or Kind)			
Unsecured, considered good			
Doubtful			
Less: Provision for other doubtful loans and advances			
	-	-	-
<b>Total</b>	<b>90 74,81,037</b>	<b>40,57,356</b>	<b>26,15,834</b>



<b>Note no. 7 Deferred tax Assets (Net)</b>			
<b>Component of Deferred Tax Asset</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>	<b>As at 01 April, 2020</b>
WDV as per income tax act	1,76,35,060	1,44,37,269	1,35,54,699.00
WDV as per company law	1,16,54,332	1,16,54,328	1,08,44,003.10
<b>Difference in written down value as per Companies Act and Income Tax Act</b>	<b>59,80,728</b>	<b>27,82,941</b>	<b>27,10,695.90</b>
Opening value of Investment at fair Value	4,67,495	3,93,500	2,90,100.00
Fair Value of Investment as per IND AS	5,19,700	4,55,000	3,93,500.00
<b>Difference in value as per Companies Act and Income Tax Act</b>	<b>(52,205)</b>	<b>(61,500)</b>	<b>(1,03,400.00)</b>
Value of Secured borrowing as opening balance GAAP restated	6,72,60,192	3,76,99,884	6,77,94,286.00
Value of Secured borrowing as per IND AS closing balance	6,61,85,524	3,83,53,325	6,68,10,689.42
<b>Difference in value as per Companies Act and Income Tax Act</b>	<b>10,74,668</b>	<b>(6,53,441)</b>	<b>9,83,596.58</b>
Value of lease Liability as per IND AS	3,42,83,249	2,19,47,163	-
Value of lease asset as per IND AS	3,05,62,979	1,63,95,507	-
<b>Difference in lease assets and liability</b>	<b>37,20,270</b>	<b>55,51,655</b>	<b>-</b>
Tax rate @ 25.168%	1,07,23,461	76,19,656	35,90,892.48
Opening balance DTA	26,98,881	19,17,715	9,03,755.82
<b>(Increase)/Decrease</b>	<b>7,81,166</b>	<b>10,13,959</b>	<b>2,27,386.82</b>

**Note No. 8 Inventories**

<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>	<b>As at 1 April, 2020</b>
a) Raw Material	78,18,427	85,57,114	33,18,919
b) Finished Goods	13,59,47,376	12,92,63,970	15,17,87,885
c) Stock of Consumables and packing Material	1,82,215	9,32,217	1,46,500
<b>Total</b>	<b>14,39,48,017</b>	<b>13,87,53,302</b>	<b>15,52,53,304</b>

**Note No. 8.1 Valuation of Inventories**

Raw Materials have been valued at cost

Finished Goods have been lower of cost or net realizable Value

**Note No. 9 Trade receivables**

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
<b>Trade receivables (Refer Note (1) below)</b>			
Trade Receivable considered good- Secured	-	-	-
Trade Receivable considered good- UnSecured	7,20,74,635	5,00,14,582	5,32,86,729
Trade Receivable which have significant increase in Credit Risk	-	-	-
Trade Receivables -Credit Impaired	-	-	-
	7,20,74,635	5,00,14,582	5,32,86,729
Less: Provision for doubtful trade receivables	7,20,74,635	5,00,14,582	5,32,86,729
<b>Total</b>	<b>7,20,74,635</b>	<b>5,00,14,582</b>	<b>5,32,86,729</b>

**Note 9.1: Trade receivables include debts due from:**

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Directors *			
Other officers of the Company *			
Firms in which any director is a partner			
Private companies in which any director is a director or member	-	-	-

**Note No. 10 Cash and cash equivalents**

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
(i) Cash on hand	8,77,908	7,42,373	6,94,535
(ii) Balances with Banks			
(i) In current accounts	11,44,325	5,51,503	3,31,410
(ii) In EEFC accounts			
(iii) In deposit accounts with original maturity of less than 3 months			
(iv) In earmarked accounts (give details)			
(iii) Cheques on hand			
<b>Total</b>	<b>20,22,233</b>	<b>12,93,876</b>	<b>10,25,945</b>

**NANDANI CREATION LIMITED****Notes forming part of the financial statements****Note No. 11 Other Financial Asset**

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
1. Balances with government authorities			
Unsecured, considered good	3,36,08,216	2,18,42,482	1,73,46,430
	3,36,08,216	2,18,42,482	1,73,46,430
2. Balance with revenue authorities			
(i) Tax Deducted at Source/Advance Tax		-	-
		-	-
3. Prepaid expenses- Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)	5,69,392	11,70,939	7,39,706
	5,69,392	11,70,939	7,39,706
4. Others (Advance recoverable in cash or Kind)			
Unsecured, considered good (Note. 11.1)	1,46,97,998	56,93,065	15,02,304
Doubtful			
Less: Provision for other doubtful loans and advances	1,46,97,998	56,93,065	15,02,304
<b>Total</b>	<b>4,88,75,606</b>	<b>2,87,06,486</b>	<b>1,95,88,440</b>
<b>Note. 11.1</b>			
Considered good	1,46,97,998	56,93,065	15,02,304
Considered doubtful, provided:			
Loans to other body corporate			
Loans to related parties			

## Note 9.2 Trade Receivable Agening schedule

Particulars	Outstanding for following periods from due date of payment					As at 31 March, 2022
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivable-considered good	6,69,62,338	51,12,297	37,15,970	-	73,448	7,58,64,053
(ii) Undisputed Trade Receivable-which have significant increase in credit risk						-
(iii) Undisputed Trade Receivable-credit impaired						-
(iv) Disputed Trade Receivable-considered good			2,03,887			2,03,887
(v) Disputed Trade Receivable-which have significant increase in credit risk						-
(vi) Disputed Trade Receivable-credit impaired						-
<b>Total</b>	<b>6,69,62,338</b>	<b>51,12,297</b>	<b>39,19,857</b>	<b>-</b>	<b>73,448</b>	<b>7,60,67,940</b>

Particulars	Outstanding for following periods from due date of payment					As at 31 March, 2021
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivable-considered good	4,36,06,158	49,34,465	14,00,511	73,448		5,00,14,582
(ii) Undisputed Trade Receivable-which have significant increase in credit risk						
(iii) Undisputed Trade Receivable-credit impaired						
(iv) Disputed Trade Receivable-considered good						
(v) Disputed Trade Receivable-which have significant increase in credit risk						
(vi) Disputed Trade Receivable-credit impaired						
<b>Total</b>	<b>4,36,06,158</b>	<b>49,34,465</b>	<b>14,00,511</b>	<b>73,448</b>	<b>-</b>	<b>5,00,14,582</b>

## Note No. 12 Share capital

Particulars	As at 31 March,2022		As at 31 March,2021		As at 1 April,2020	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
(a) Authorised Equity shares of Rs.10/- each with voting	1,10,00,000	11,00,00,000	1,10,00,000	11,00,00,000	1,10,00,000	11,00,00,000
(b) Issued Equity shares of ` Rs.10/- each with voting	1,00,33,950	10,03,39,500	1,00,33,950	10,03,39,500	82,33,950	8,23,39,500
(c) Subscribed and fully paid up Equity shares of Rs.10/- each with voting	1,00,33,950	10,03,39,500	1,00,33,950	10,03,39,500	82,33,950	8,23,39,500
	1,00,33,950	10,03,39,500	1,00,33,950	10,03,39,500	82,33,950	8,23,39,500
<b>Total</b>	<b>1,00,33,950</b>	<b>10,03,39,500</b>	<b>1,00,33,950</b>	<b>10,03,39,500</b>	<b>82,33,950</b>	<b>8,23,39,500</b>

Refer Notes (i) to (iv) below

## Note (i) Reconciliation of of number of Equity Share outstanding

Particulars	As at 31 March,2022		As at 31 March,2021		As at 31 March,2020	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
At the Beginning of the year	1,00,33,950	10,03,39,500	82,33,950	8,23,39,500	29,49,580	2,94,95,800
Add:Shares issued through allotment Bonds	-	-	-	-	44,24,370	4,42,43,700
Add:Shares issued through consideration other than cash	-	-	-	-	-	-
Add: Share issued through Preferential allotment	-	-	18,00,000	1,80,00,000	8,60,000	86,00,000
Outstanding at the end of the period	<b>1,00,33,950</b>	<b>10,03,39,500</b>	<b>1,00,33,950</b>	<b>10,03,39,500</b>	<b>82,33,950</b>	<b>8,23,39,500</b>

Note (ii) Shareholders holding more than 5% of the Equity share in the company

Name of the Shareholders	As at 31 March,2022		As at 31 March,2021		As at 31st March,2020	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
Mr Anuj Mundra	37,22,225	3,72,22,250	37,22,225	3,72,22,250	30,22,225	3,02,22,250
Mrs Vandna Mundra	19,76,975	1,97,69,750	19,76,975	1,97,69,750	14,26,975	1,42,69,750
Maverick Share Brokers Limited	-	-	-	-	7,25,000	72,50,000
Mrs Sunita Devi Mundhra	11,97,250	1,19,72,500	11,97,250	1,19,72,500	6,47,250	64,72,500
		-		-		-
	68,96,450	6,89,64,500	68,96,450	6,89,64,500	30,22,225	3,02,22,250

Note (iii) Shareholding of Promoters

Name of Promoter	Number of shares	% of total shares	% Change during the year
Mr Anuj Mundra	37,22,225	37.10%	-
Mrs Vandna Mundra	19,76,975	19.70%	-
Mrs Sunita Devi Mundhra	11,97,250	11.93%	-

Note (iv) Buildup of Share Capital

A. Equity Share capital

Financial Year	Number of Shares allotted without payment being received in cash	Number of Share allotted via Bonus	No of Shares acquired under Buyback of Shares
2020-2021	18,00,000	-	-
2019-2020	8,60,000	44,24,370	-
2018-2019	-	-	-
2017-2018	-	-	-
2016-2017	9,65,580	4,50,000	-

Note (v) Rights, preferences and restrictions attached to the equity shares

The Equity of the company having par value of Rs.10/- per share, rank pari passu in all respects including voting rights and entitlement to dividend.

Note no. 13 Other Equity					
Particulars	Reserves and Surplus				Total
	Retained Earnings	General Reserve	Securities Premium	Other Reserve	
Balance as at April 01, 2020	1,91,92,155	5,00,000			1,96,92,155
Add: Profit for the period	1,50,36,070				1,50,36,070
Add: Proceed Received from Issue of Share			1,26,00,000		1,26,00,000
Add: Remeasurement gains/(losses) on defined benefit plan					-
Balance as at March 31, 2021	3,42,28,225	5,00,000	1,26,00,000	-	4,73,28,225
Add: Profit for the period	10,69,962				10,69,962
Add: Remeasurement gains/(losses) on defined benefit plan	-				-
Balance as at March 31, 2022	3,52,98,187	5,00,000	1,26,00,000	-	4,83,98,188

**Note No. 14 Long-term borrowings**

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April,2020
<b>A. Term loans</b>			
<b>Secured</b>			
<b>a. From banks</b>			
1) HDFC Bank Limited	-	-	22,701
2) Bank of India	-	28,32,983	-
<b>b. From other financial institutions</b>			
1) SIDBI	17,48,113	-	-
<b>Unsecured</b>			
a. From NBFC and other financial institutions (Refer note no. 14.2(i) for current maturity)	3,56,37,197	1,21,74,270	1,86,53,141
<b>Total (A)</b>	<b>3,73,85,311</b>	<b>1,50,07,253</b>	<b>1,86,75,842</b>
<b>B. Loans and advances from related parties</b>			
<b>Unsecured Loan (Refer note no. 31)</b>			
Directors and Relatives		25,73,906	1,60,96,444
<b>Total (B)</b>	<b>-</b>	<b>25,73,906</b>	<b>1,60,96,444</b>
<b>C. Loans and Advances From Other Parties</b>			
Others		-	37,83,500
<b>Total (C)</b>	<b>-</b>	<b>-</b>	<b>37,83,500</b>
<b>Total (A+B+C)</b>	<b>3,73,85,311</b>	<b>1,75,81,159</b>	<b>3,85,55,786</b>
<b>D. Lease Liabilities (Refer note no. 14.2(ii) for current maturity)</b>	<b>3,24,60,807</b>	<b>1,54,80,489</b>	<b>1,93,42,790</b>
<b>Total (A+B+C+D)</b>	<b>6,98,46,117</b>	<b>3,30,61,648</b>	<b>5,78,98,576</b>

**Notes: 14.1****(i) Details of Long-term borrowings guaranteed by some of the directors or others:**

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April,2020
Loans repayable on demand from banks	-	28,32,983	22,701
Loans repayable on demand from other parties	3,56,37,197	1,21,74,270	1,86,53,141
Loans and advances from related parties	-	25,73,906	1,60,96,444
Other loans and advances			
<b>Total</b>	<b>3,56,37,197.10</b>	<b>1,75,81,158.98</b>	<b>3,47,72,286.27</b>

**Note 14.2 Additional information to Secured/Unsecured long term borrowings**

i) The long term portion of term loans are shown under long term borrowings and the current maturities of the long term borrowings are shown under the short term borrowings as per the disclosure requirements of the Division II of Schedule III.

ii) The long term portion of lease liability are shown under long term borrowings and the current maturities of the lease liability are shown under the other liabilities as per the disclosure requirements of the Division II of Schedule III.



**Note 14.3 Details of securities and Terms of repayment****I. Secured**

(A). Term Loans

a). From Banks

**1. HDFC Bank Limited**

Secured by hypothecation of Honda City car as specified in the schedule annexure to the loan agreement executed on 29.03.2016. The loan is repayable in 62 monthly installments comprising of first 61 installements of Rs.23,300 and last installement of Rs.2426.

**2. Bank of India**

Company has taken Loan (WCTL) from Bank Of India amounting as for Rs.38 Lakhs which is used to augment net working capital. The Loans is secured by hypothecation of entire stock. The Loans carries ROI of 7.85%. The Loans is sanctioned for 48 months and there will be moratorium of 12 months. The repayment shall commence from June 2021 in 36 monthly installement of Rs.1,18,816.

b) From other financial institutions

**1. SIDBI**

Company has taken loan amount of Rs. 40.00 Lakhs (Including Fixed Deposit amount of Rs. 5.00 lakhs) from SIDBI. Secured by hypothecation of all equipment, plants, machineries, and other assets of company acquired from the assistance sanctioned by SIDBI. The loan agreement executed on 29.06.2020 and repayment shall commence from 10.01.2021 with 54 monthly installments, for 53 months amount of Rs. 74,000 and for last month is Rs. 78,000. The period of maturity w.r.t balance sheet date is 41 months.

**II. Unsecured**

(A) From NBFC and other financial institutions

**1. Aditya Birla Finance Limited**

Company has taken Loan from Aditya Birla Finance Limited amounting as for Rs. 75 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 36 months. The repayment shall commence from 05.09.2021 in 36 monthly installement of Rs. 2,67,396. The period of maturity w.r.t balance sheet date is 29 months.

**2. Ambit Finvest Private Limited**

Company has taken Loan from Ambit Finvest Private Limited amounting as for Rs. 25 Lakhs which is used to augment net working capital. The Loans carries ROI of 18.00%. The Loans is sanctioned for 12 months. The repayment shall commence from 05.03.2022 in 12 monthly installement of Rs. 2,29,200. The period of maturity w.r.t balance sheet date is 11 months.

**3. Axis Finance Limited**

Company has taken Loan from Axis Finance Limited amounting as for Rs. 23.08 Lakhs which is used to augment net working capital. The Loans carries ROI of 15.65%. The Loans is sanctioned for 36 months. The repayment shall commence from 05.03.2022 in 36 monthly installement of Rs. 82,303. The period of maturity w.r.t balance sheet date is 35 months.

**4. Clix Capital Services Private Limited**

Company has taken Loan from Clix Capital Services Private Limited amounting as for Rs. 35.26 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 31 months with 4 months moratorium. The repayment shall commence from 02.01.2020 in 31 monthly installement of Rs. 171,345. The period of maturity w.r.t balance sheet date is 4 months.

**5. Fedbank Financial Services Limited**

Company has taken Loan from Fedbank Financial Services Limited amounting as for Rs. 30.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 24 months. The repayment shall commence from 02.03.2022 in 24 monthly installement of Rs. 148,327. The period of maturity w.r.t balance sheet date is 23 months.

**6. Growth Source Financial Technologies Private Limited**

Company has taken Loan from Growth Source Financial Technologies Private Limited amounting as for Rs. 38.38 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 30 months. The repayment shall commence from 05.03.2022 in 30 monthly installement of Rs. 137,356. The period of maturity w.r.t balance sheet date is 29 months.

**7. Hero Fincorp Limited**

Company has taken Loan from Hero Fincorp Limited amounting as for Rs. 20.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 30 months. The repayment shall commence from 03.01.2020 in 30 monthly installement of Rs. 98,885. The period of maturity w.r.t balance sheet date is 3 months.

**8. Hero Fincorp Limited**

Company has taken Loan from Hero Fincorp Limited amounting as for Rs. 25.30 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 36 months. The repayment shall commence from 03.03.2022 in 36 monthly installement of Rs. 90,184. The period of maturity w.r.t balance sheet date is 35 months.

**9. ICICI Bank Limited**

Company has taken Loan from ICICI Bank Limited amounting as for Rs. 50.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 16.00%. The Loans is sanctioned for 36 months. The repayment shall commence from 05.09.2021 in 36 monthly installement of Rs. 1,75,940. The period of maturity w.r.t balance sheet date is 29 months.

**10. IDFC First Bank Limited**

Company has taken Loan from IDFC First Bank Limited amounting as for Rs. 35.91 Lakhs which is used to augment net working capital. The Loans carries ROI of 16.50%. The Loans is sanctioned for 40 months. The repayment shall commence from 02.01.2020 in 40 monthly installement of Rs. 1,23,916. The period of maturity w.r.t balance sheet date is 13 months.

**11. IDFC First Bank Limited**

Company has taken Loan from IDFC First Bank Limited amounting as for Rs. 59.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 16.00%. The Loans is sanctioned for 36 months. The repayment shall commence from 02.03.2022 in 36 monthly installement of Rs. 2,07,427. The period of maturity w.r.t balance sheet date is 35 months.

**12. Kotak Mahindra Bank Limited**

Company has taken Loan from Kotak Mahindra Bank Limited amounting as for Rs. 40.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 24 months. The repayment shall commence from 10.02.2022 in 24 monthly insttatement of Rs. 1,97,193. The period of maturity w.r.t balance sheet date is 22 months.

**13. Lendingkart Finance Limited**

Company has taken Loan from Lendingkart Finance Limited amounting as for Rs. 50.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 15.00%. The Loans is sanctioned for 26 months. The repayment shall commence from 30.12.2019 in 26 monthly insttatement of Rs. 2,42,433. The period of maturity w.r.t balance sheet date is 3 months.

**14. Magma Fincorp Limited**

Company has taken Loan from Magma Fincorp Limited amounting as for Rs. 60.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 29 months. The repayment shall commence from 03.01.2020 in 29 monthly insttatement of Rs. 3,98,609. The period of maturity w.r.t balance sheet date is 2 months.

**15. MAS Financial Services Limited**

Company has taken Loan from MAS Financial Services Limited amounting as for Rs. 133.00 Lakhs including security deposits of Rs. 33.25 Lakhs. which is used to augment net working capital. The Loans carries ROI of 14.00%. The Loans is sanctioned for 36 months. The repayment shall commence from 02.03.2022 in 36 monthly insttatement of Rs. 4,54,562. The period of maturity w.r.t balance sheet date is 35 months.

**16. Oxyzo Financial Services Private Limited**

Company has taken Loan from Oxyzo Financial Services Private Limited amounting as for Rs. 75.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 24 months. The repayment shall commence from 05.03.2022 in 24 monthly insttatement of Rs. 3,70,817. The period of maturity w.r.t balance sheet date is 23 months.

**17. Tata Capital Financial Services Limited**

Company has taken Loan from Tata Capital Financial Services Limited amounting as for Rs. 25.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 16.50%. The Loans is sanctioned for 24 months. The repayment shall commence from 05.03.2022 in 24 monthly insttatement of Rs. 1,23,006. The period of maturity w.r.t balance sheet date is 23 months.

**18. Tata Capital Financial Services Limited**

Company has taken Loan from Tata Capital Financial Services Limited amounting as for Rs. 36.99 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 43 months with 4 months moratorium (from 05.05.2020 to 05.08.2020). The repayment shall commence from 05.02.2020 in 43 monthly insttatement of Rs. 1,25,141. The period of maturity w.r.t balance sheet date is 17 months.

**19. Unity Small Finance Bank Limited**

Company has taken Loan from Unity Small Finance Bank Limited amounting as for Rs. 40.21 Lakhs which is used to augment net working capital. The Loans carries ROI of 18.00%. The Loans is sanctioned for 24 months. The repayment shall commence from 04.03.2022 in 24 monthly insttatement of Rs. 2,00,722. The period of maturity w.r.t balance sheet date is 23 months.

**Note No. 15 Trade Payable**

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
<b>(I) Trade Payable</b>			
(a) Total outstanding dues of micro enterprises and small enterprises	-	8,378.00	8,378.00
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	71,413	9,306.00	5,42,551.00
<b>Total</b>	<b>71,412.70</b>	<b>17,684.00</b>	<b>5,50,929.00</b>

**Note No. 16 Non Current Provisions**

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
(a) Provisions for Employee Benefits			
Provision for provident and other funds			
Provision for gratuity (refer Note (i) below)	18,28,000	9,67,168	7,83,801
Provision for ESI			
Provision for compensated absences			
(b) Others			
Service Warranties			
Statutory dues			
(i) Provision for Income tax			
(ii) Provision for Salary and Wages			
(iii) Provision for Audit Fees			
(iv) Provision for legal & professional exp			
(v) Provision for expenses			
<b>Total</b>	<b>18,28,000</b>	<b>9,67,168</b>	<b>7,83,801</b>

**Note (i).** The company has done actuarial valuation of gratuity fund in accordance with AS-15 and the liability has been provided in the books as per actuarial valuation certificate.

The following table sets out the status of the Gratuity Scheme in respect of employees of the Company:

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Projected Benefit Obligation	20,94,629.00	9,85,284.00	7,83,801.00
Funding Status	Unfunded	Unfunded	Unfunded
Fund Balance	N.A.	N.A.	N.A.
Current Liability	2,66,629.00	18,116	-
Non-Current Liability	18,28,000.00	9,67,168	7,83,801

The actuarial assumptions used in accounting for the gratuity plan were as follows:

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
<b>Demographic Assumption:</b>			
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Retirement Age	60 Years	60 Years	60 Years
Attrition Rate	5% at younger ages and reducing to 1% at older ages according to graduated scale	5% at younger ages and reducing to 1% at older ages according to graduated scale	5% at younger ages and reducing to 1% at older ages according to graduated scale
<b>Financial Assumption:</b>			
Salary Escalation Rate	7% p.a.	7% p.a.	7% p.a.
Discount Rate	6.80% p.a (Yield of Government Bond referenced on Valuation Date)	6.80% p.a (Yield of Government Bond referenced on Valuation Date)	6.80% p.a (Yield of Government Bond referenced on Valuation Date)

**Note 17 Short-term borrowings**

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
(a) Loans repayable on demand (refer note (i) below)			
From banks			
Secured	4,71,50,472	1,66,96,626	1,02,78,397
Unsecured			
(b) Current maturities of long-term borrowing	2,88,00,213	2,33,46,072	2,82,54,903
	<b>7,59,50,685</b>	<b>4,00,42,698</b>	<b>3,85,33,300</b>

**Notes:**

(i) Details of security for the secured short-term borrowings:

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
<b><u>Loans repayable on demand</u></b>			
<b><u>from banks:</u></b>			
<b>a) Bank of India CC A/c</b>		1,66,96,626	1,02,78,397
<b>Nature of Security:-</b> Secured by hypothecation of stock & debtors of the company and personnel guarantee of all the directors of the company. The loan is further secured by Government of India under CGTSME scheme. The Applicable rate of interest on CC limit is 8.60% p.a. with monthly rest.			
<b>b) Bandhan Bank CC A/c</b>	4,71,50,472		
<b>Nature of Security:-</b> Primary secured by hypothecation of stock & debtors of the company and personnel guarantee of all the directors of the company. Collateral secured by mortgage on property Flat No. 302, C -6, kamal apartment, jai singh highway, bani park, jaipur owned by Anuj Munadhra and Vandana Mundhra and Flat No. 1015, mayfair heights, kardhani, govindpura kalwar road, jaipur and further secured by shares (11,00,000 No. of shares pledged by Anuj Mundhara). The Applicable rate of interest on CC limit is 8.75% p.a. with monthly rest.			
<b>Total - from banks</b>	<b>4,71,50,472</b>	<b>1,66,96,626</b>	<b>1,02,78,397</b>

**Note no. 18 Trade Payable**

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
<b>(I) Trade Payable</b>			
(a) Total outstanding dues of micro enterprises and small enterprises	1,82,95,695	1,10,36,009	4,11,37,539
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	90,83,595	2,12,02,305	2,42,99,358
<b>Total</b>	<b>2,73,79,289</b>	<b>3,22,38,314</b>	<b>6,54,36,898</b>
<b>Grand Total</b>	<b>2,73,79,289</b>	<b>3,22,38,314</b>	<b>6,54,36,898</b>

Note 18.1 "For the disclosure of the suppliers under the Micro, small and medium enterprises development Act, 2006 refer note no. 18.3

Note 18.2 There is no interest due or outstanding on the dues to Micro, Small and Medium Enterprises (MSME). During the years ended March 31, 2022 and March 31, 2021.

**Note No. 19 Other Current Liabilities**

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
(a) Current maturities of long-term borrowing	-	-	-
(c) Investor education and protection fund			
(d) Others			
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Goods & Service Taxes etc.)	-	-	-
Payable towards capital expenditure			
Payable towards services received			
Payable towards other expenses			
Interest accrued but not due on borrowings		10,270	-
<b>Total</b>	<b>-</b>	<b>10,270</b>	<b>-</b>

**Note No. 20 Other liabilities**

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
(a) Current maturities of finance lease obligation	18,22,442	40,77,558	26,04,373
(b) Revenue received in advance: Advance received from customers			
(c) Other payables			
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Goods & Service Taxes etc.)	95,315	7,32,666	9,03,915
(ii) Payables on purchase of fixed assets			
(iii) Contractually reimbursable expenses			
(iv) Interest accrued on trade payables			
(v) Interest accrued on others			
(vi) Other payables			
(vii) Advances from customers	5,62,180	2,95,730	2,31,736
<b>Total</b>	<b>24,79,938</b>	<b>51,05,955</b>	<b>37,40,024</b>

**Note 18.3 "For the ageing schedule of Trade Payables**

Particulars	Financial Year 2021-2022				
	payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1,82,95,695	-	-	-	1,82,95,695
(ii) Others	90,83,595	24,269	-	-	91,07,864
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	47,144	-	-	47,144
Particulars	Financial Year 2020-2021				
	Outstanding for following periods from due date of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1,10,36,009	-	8,378	-	1,10,44,387
(ii) Others	2,10,75,371	-	9,306	-	2,10,84,677
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	1,26,934	-	-	-	1,26,934



**Note No. 21 Current Provisions**

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
(a) Provisions for Employee Benefits			
Provision for provident and other funds		-	-
Provision for gratuity	2,66,629	18,116	-
Provision for ESI		-	-
Provision for compensated absences			
(b) Others			
Service Warranties			
Statutory dues			
(i) Provision for Salary and Wages	18,00,524	9,99,554	10,59,675
(ii) Provision for Audit Fees	4,00,000	3,30,000	3,00,000
(iii) Provision for expenses (Electricity payable and other payables)	1,96,136	2,69,156	2,26,204
<b>Total</b>	<b>26,63,290</b>	<b>16,16,826</b>	<b>15,85,879</b>

**Note No. 22 Current Tax Liabilities (Net)**

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Provision for Income Tax	17,07,828	13,13,226	24,62,664
<b>Total</b>	<b>17,07,828</b>	<b>13,13,226</b>	<b>24,62,664</b>

**Note 23 Revenue from operations**

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a)	Sale of products (Refer Note (i) below)	55,20,18,303	45,68,25,401
(b)	Sale of services (Refer Note (ii) below)	-	59,021
(c)	Other operating revenues (Refer Note (iii) below)	-	1,320
		55,20,18,303	45,68,85,742
	<u>Less:</u>		
(d)	Excise duty		
	<b>Total</b>	<b>55,20,18,303</b>	<b>45,68,85,742</b>

Note	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(i)	<b>Sale of products comprises :</b>		
	<b>a). Traded goods</b>		
	<b>Sale of products comprises :</b>		
	<b>a). Traded Goods</b>		
	Fabrics	66,54,439	1,12,35,290
	Ladies Garments	12,80,49,293	13,05,54,218
	Masks, PPE KIT & other covid -19 equipments	102	33,17,140
	Consumables and others	51,57,830	8,32,438
	<b>Total - Sale of traded goods</b>	<b>13,98,61,664</b>	<b>14,59,39,086</b>

	<b>b). Manufacture Goods</b>		
	Ladies Garments	41,07,28,154	30,29,67,440
	Masks, PPE KIT & other covid -19 equipments	-	77,46,151
	Scrap	14,28,485	1,72,725
	<b>Total - Sales of Manufactured Goods</b>	<b>41,21,56,639</b>	<b>31,08,86,315</b>
	<b>Total - Sale of traded and manufactured goods</b>	<b>55,20,18,303</b>	<b>45,68,25,401</b>
(ii)	<b>Sale of services comprises :</b>		
	Sale of services comprises	-	59,021
	<b>Total - Sale of services</b>	<b>-</b>	<b>59,021</b>
(iii)	<b>Other operating revenues comprise:</b>		
	Refund of Duties		
	Discount received		
	Other Miscellaneous Income	-	1,320
	<b>Total - Other operating revenues</b>	<b>-</b>	<b>1,320</b>

## Note 24 Other income

	Particulars	For the year ended 31st March, 2022	For the year ended 31 March, 2021
(a)	Interest income (Refer Note (i) below)	2,21,653	2,64,892
(b)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	28,62,837	37,97,563
	<b>Total</b>	<b>30,84,490</b>	<b>40,62,455</b>

Note	Particulars	For the year ended 31st March, 2022	For the year ended 31 March, 2021
(i)	Interest income comprises: a. Financial assets mandatorily measured at fair value through profit or loss —Interest from banks on: FD/BG Interest on loans and advances b. Interest income on financial assets fair valued through other comprehensive income — Non-convertible debentures c. Financial assets carried at amortised cost — Tax free bonds and government bonds — Deposits with banks and others	68,680 1,52,973	- 76,603 1,88,289
	<b>Total - Interest income</b>	<b>2,21,653</b>	<b>2,64,892</b>

Note	Particulars	For the year ended 31st March, 2022	For the year ended 31 March, 2021
(ii)	<b>Other non-operating income comprises:</b> Postage & Courier Other non-operating income comprises: Inspection Income Notional income on disposal of lease	9,31,915 4,23,633 - 15,07,288	13,34,957 15,706 24,46,900 -
	<b>Total - Other non-operating income</b>	<b>28,62,837</b>	<b>37,97,563</b>

## Note 25 Cost of material Consumed

Particulars	For the Year ended March 31, 2022	For the year ended 31 March, 2021
Opening Stock	85,57,114	33,18,919
Purchases	17,12,63,819	7,31,75,245
Total	17,98,20,933	7,64,94,164
Less: Sold During the year closing Stock	78,18,427	85,57,114
<b>Cost of Material consumed</b>	<b>17,20,02,506</b>	<b>6,79,37,050</b>

Material Consumed Comprises		
Fabric	25,18,640	16,80,812
Running Fabric	16,94,83,866	6,26,46,955
Legging Fabric	-	9,773
PPE Non Woven Fabric	-	35,99,510
<b>Total</b>	<b>17,20,02,506</b>	<b>6,79,37,050</b>

**Note 26 Purchase of traded goods**

Particulars	For the Year ended March 31, 2022	For the year ended 31 March, 2021
<b>Traded goods</b>		
Fabrics	90,71,133	1,30,61,835
Garments	7,68,38,340	7,69,29,943
PPE KIT Material, Mask and N95 Mask	96	61,66,006
Other Miscellaneous item	18,30,820	2,99,924
<b>Total</b>	<b>8,77,40,389</b>	<b>9,64,57,708</b>

**Note 27 Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	For the Year ended March 31, 2022	For the year ended 31 March, 2021
<b><u>Inventories at the end of the year:</u></b>		
<b>A. Inventories at the end of the year: ( As verified and certified by the management)</b>		
Stock of Finished Goods	13,59,47,376	12,92,63,970
<b>Total A</b>	<b>13,59,47,376</b>	<b>12,92,63,970</b>
<b>B. Inventories at the beginning of the year:</b>		
Stock of Finished Goods	12,92,63,970	15,17,87,885
<b>Total B</b>	<b>12,92,63,970</b>	<b>15,17,87,885</b>
<b>Net (increase) / decrease</b>	<b>(66,83,405)</b>	<b>2,25,23,915</b>

**Note 28 Employee benefits expense**

Particulars	For the Year ended March 31, 2022	For the year ended 31 March, 2021
Salary to Employees	1,46,84,214	98,91,525
Contribution to ESI and Provident Fund	5,23,989	3,16,640
Directors Remuneration	49,50,000	45,00,000
Gratuity Expenses	11,09,345	2,01,483
<b>Total</b>	<b>2,12,67,548</b>	<b>1,49,09,648</b>

**Note 29 Finance costs**

Particulars	For the Year ended March 31, 2022	For the year ended 31 March, 2021
<b>Interest and finance charges on financial liabilities carried at amortised cost</b>		
(a) Interest expense on:		
(i) Borrowings	81,73,487	1,18,70,310
(ii) Trade payables		
(iii) Others (leased Assets)	30,07,352	22,14,918
Less : Amount Capitalised		
Total Interest on financial liabilities carried at amortised cost		
(b) Other borrowing costs		
Loan Processing Fees	3,75,000	2,95,651
Bank Charges	6,00,033	3,32,513
<b>Total Finance Cost</b>	<b>1,21,55,872</b>	<b>1,47,13,392</b>

**Note 30 Other expenses**

Particulars	For the Year ended March 31, 2022	For the year ended 31 March, 2021
<b>(A) Direct Exps.</b>		
Consumables	47,45,965	19,39,643
Job Work & Sticking Charges	6,21,13,882	4,15,70,601
Kurti Stickers	3,39,726	7,55,771
Factory Rent	-	1,20,000
Packing Material	16,42,400	10,82,174
Power & Fuel	19,68,809	13,56,377
Discount on online Sale	2,404	59,99,580
Wages	1,63,74,164	99,00,179
<b>Total</b>	<b>8,71,87,350</b>	<b>6,27,24,325</b>
<b>(B) Indirect Exps</b>		
Business Promotion	14,79,870	8,21,974
Advertisement	1,99,61,155	1,46,82,943
Commission & Brokerage	9,18,66,581	11,10,11,334
Donation	24,000	24,000
Franchise Commission	20,82,500	-
Legal and Professional Exp.	29,62,633	11,04,672
Membership & Subscription	1,57,943	39,300
Miscellaneous expenses *	5,32,789	1,98,387
Main Board and NSE Listing Fees	17,500	12,500
Office Expenses	2,09,763	1,58,377
Rent Expenses	5,30,201	9,19,519
Penalty & Interest	3,39,907	3,05,091
Interest on GST	56,220	-
Payments to auditors (Refer Note (i) below)	5,74,000	4,27,541
Photo Shoot Exp.	7,08,400	9,95,683
Postage and Courier Expenses	19,70,460	15,14,617
Printing and Stationery Expenses	2,42,269	2,32,423
Repair & Maintenance	10,54,667	9,88,375
Prior Period Expenses	87,701	32,427
Security Guard Expenses	50,349	2,93,750
Sweeper and Cleaning charges	6,05,591	4,14,355
Shipping and handling Charges	3,98,67,436	61,92,241
Amazon disposal	-	74,41,044



Staff & Labour Welfare expenses	6,07,685	2,31,078
Travelling Expenses	6,16,378	2,70,764
Website Charges	59,917	2,96,650
Payment Gateway Charges	2,18,882	2,04,334
Insurance Exp	3,58,832	5,97,241
Software Exp	9,12,791	4,01,756
Telephone and Mobile Expenses	3,61,988	3,41,792
Lab Testing	11,800	2,40,820
GST reversed / Surrendered	3,87,969	7,44,473
Tendor Fees	26,470	1,05,192
Technical Support Charges	4,91,719	7,11,522
Balance W/off	4,00,637	-
<b>Total</b>	<b>16,98,37,004</b>	<b>15,19,56,175</b>
<b>Grand Total</b>	<b>25,70,24,355</b>	<b>21,46,80,500</b>

## Notes forming part of the financial statements

## Notes:30.1

Particulars	For the Year ended March 31, 2022	For the year ended 31 March, 2021
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - Statutory and Tax audit	4,00,000	3,00,000
As auditors - Internal Audit	1,09,000	12,000
As auditors - Secretarial Audit	40,000	65,541
Other Report - Scrutinizer Report	25,000	50,000
<b>Total</b>	<b>5,74,000</b>	<b>4,27,541</b>

## Note 30.2 Exceptional items

Particulars	For the Year ended March 31, 2022	For the year ended 31 March, 2021
Jaipur Club Membership		4,60,000
<b>Total</b>		<b>4,60,000</b>

## Note 30.3 Corporate Social Responsibility (CSR)

The Company has not been required to constitute CSR committee and to make expenses towards CSR activities as per the requirements of Section 135 of the Companies Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

## Note 30.4 Crypto Currency or Virtual Currency

The Company has not been traded or invested in Crypto Currency and Virtual Currency during the financial year.

## Note 31 Additional information to the financial statements

Note	Particulars		
31.1	The Division II of Schedule III has used for the preparation of financial statements. This has significantly impacted the disclosure and presentation		
31.2	<b>Contingent liabilities and commitments (to the extent not provided for)</b>		
	Particulars	As at 31 March, 2022	As at 31 March, 2021
(i)	<b>Contingent liabilities</b>		
	a) Claims against the Company not acknowledged as debt	-	-
	1. The Income Tax Department has raised demands for FY 2021-22 in regards to tax deducted at source for non compliances to the provision of the act that has been verified from TRACES.	9,819	-
	2. The Income Tax Department has raised demands for FY 2019-20 in regards to mismatch between tds claimed by taxpayer and computed u/s 143(1) that has been verified from	7,620	
	b). Guarantees excluding financial gurantees	-	-
	1. The Comapany has been provided corporate guarantee for cash credit loan from Axis Bank	-	-
	c). Others money for which the company is contingently liable	-	-
	-	NIL	NIL
(ii)	<b>Commitments</b>		
	a). Estimated amount of contracts remianing to be executed on capital account and not provided for	-	-
	b). Uncalled liability on shares and other investments partly paid	-	-
	c). Other commitments	-	-
	Total (i+ii)	-	-
31.3	<b>Title Deeds of Immovable Properties</b> There is no immovable property title held by the company as on balance sheet date.		
31.4	<b>Revaluation of the Property, Plant and Equipments</b> The company has remeasured its right to use of assets as per IND AS 116 requirements and gain & loss arises due to remeasurment are transferred to profit and loss account.		
31.5	<b>Disclosures of Loans &amp; Advances granted to Promoters, directors, KMPs and the related parties</b> The company has granted loans and advances in the nature of loans to related parties which are repayable on demand or without specifying any terms or period of repayment		
	Type of Promoter	Amount of loan or advance in the nature of loan outstanding	% to the total Loans and advances in the nature of loans
	Promoters		
	Directors		
	KMPs		
	Related Parties		
	Total		
31.6	<b>Capital Work in Progress (CWIP)</b> Refer note 2.3		
31.7	<b>Disclosures of Benami Properties held</b> There is no proceedings have been initiated or pending against the company for holding any benami property under the benami Transections (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder		
31.8	<b>Disclosures of Wilful Defaulter</b> The company has not been declared wilful defaulter by any bank or financial institution		
31.9	<b>Relationship with struck off Companies</b> The company has no transections with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956		
31.10	<b>Registration of Charges or Satisfaction with Registrar of Companies</b> There are no charges or satisfaction which are yet to be registered with Registrar of Companies		

31.11	<b>Layers of the company</b> The company has subsidiary company i.e. Desi Fusion India Private Limited as at the balance sheet date
31.12	<b>Dividends</b> The company has not been proposed any dividends as at balancesheet date.
31.13	<b>Issue of securities for a specific purpose</b> The company has not been issued any securities for specified purposes as at balancesheet date.
31.14	<b>Borrowings from banks and financial institutions for specific purpose</b>  The company has been used all his borrowings for that purposes, which have been mentioned in their sanctioned letter.
31.15	<b>Compliance with approved schemes of arrangements</b> There is no scheme approved by competent authority as at balancesheet date.
31.16	<b>Utilisation of borrowed funds and share premium</b> 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 or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding (whether recorded in writing or otherwise) that the intermediary. no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

31.17	<b>Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>		
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	(i) Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	NIL	NIL
	(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	NIL	NIL
	(iii) The amount of interest due and payable for the period of delay in making payment(which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL
	(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL
	(vi) the amount of further interest remaining due and payable even in the succeeding years, untill such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and medium enterprises Development Act, 2006	NIL	NIL
	Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		

31.18	<b>Value of imports calculated on CIF basis :</b>		
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	Raw materials	-	-
	Components & Spares Parts	-	-
	Capital Goods	-	-
	Grand Total	-	-
31.19	<b>Expenditure in foreign currency</b>		
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	Royalty	-	-
	Know-how	-	-
	Professional and consultation fees	-	-
	Other matters	-	-
	Non Convertible Debenture review fees	-	-
	Advertisement Expense	-	-

31.20	<b>Details of consumption of imported and indigenous items *</b>		
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	<u>Imported</u>		
	Raw materials	-	-
	Components	-	-
	Spare parts	-	-
	<b>Total</b>	-	-
	<u>Indigenous</u>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	Raw materials	78,18,427	85,57,114
	Components	-	-
	Spare parts	-	-
	<b>Total</b>	78,18,427	85,57,114
		<b>78,18,427</b>	<b>85,57,114</b>
Details of consumption of imported and indigenous items for the current year is provided by management.			
31.21	<b>Earnings in foreign exchange :</b>		
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	Export of goods calculated on FOB basis		
	Royalty, know-how, professional and consultation fees		
	Interest and dividend		
31.22	Other income, indicating the nature thereof.		
	<b>Amounts remitted in foreign currency during the year on account of dividend</b>		
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	Amount of dividend remitted in foreign currency		
	Total number of non-resident shareholders (to whom the dividends were remitted in foreign Total number of shares held by them on which dividend was due Year to which the dividend relates		
31.23	<b>Earnings Per Share</b>		
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	<u>Basic &amp; Diluted</u>		
	Net profit / (loss) for the year attributable to the equity shareholders	10,69,962	1,50,36,070
	Weighted average number of equity shares	1,00,33,950	82,78,334
	Par value per share		
	Earnings per share - Basic & diluted	0.11	1.82

**Note 31: Related Party Transaction**

									(Rs. in Lakhs)
Name of Party	Nature of Relation	Nature of Transaction	O/s as on 31.03.2022 Payable / (Receivable)	Transaction debited in 01-04-2021 to 31-03-2022	Transaction credited in 01-04-2021 to 31-03-2022	O/s as on 31.03.2021 Payable / (Receivable)	Transaction debited in 01-04-2020 to 31-03-2021	Transaction credited in 01-04-2020 to 31-03-2021	O/s as on 31.03.2020 Payable / (Receivable)
<b>Anuj Mundhra</b>	Managing Director	Unsecured Loan	-	176.16	164.67	11.49	158.25	59.85	109.89
		Director Remuneration	-	32.67	32.67	-	27.00	27.00	-
		Rent	-	-	-	-	6.30	6.30	-
<b>Vandana Mundhra</b>	Whole Time Director	Unsecured Loan	-	23.74	18.08	5.66	96.59	84.48	17.77
		Director Remuneration	-	11.88	11.88	-	13.17	13.17	-
		Security Deposits	(0.50)	-	-	(0.50)	-	-	(0.50)
<b>Sunita Mundhra</b>	Whole Time Director	Unsecured Loan	-	8.89	0.54	8.35	98.25	73.29	33.31
		Director Remuneration	0.22	7.70	7.92	-	7.20	7.20	-
<b>Dwarka Das Mundhra</b>	Chief Financial officer	Salary	-	3.60	3.60	-	3.87	3.87	-
		Unsecured Loan	-	0.62	0.39	0.24	31.42	31.65	
<b>Gunjan Jain</b>	Compliance Officer	Salary	0.36	5.01	4.97	0.40	3.48	3.60	0.28
<b>Desi Fusion India Private Limited</b>	Subsidiary Company	Sales (Incl. GST)	-	28.32	28.32	-	11.06	11.06	-
		Purchase (Incl. GST)	(126.51)	1880.83	1794.44	(40.12)	1401.51	1221.76	139.63
		Loan and Advances	-	1.53	24.19	(22.66)	1.88	0.14	(20.92)



**Note 32. Contingent liabilities and commitments (to the extent not provided for)**

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Contingent liabilities</b>		
<b>a) Claims against the Company not acknowledged as debt</b>	-	-
1. The Income Tax Department has raised demands for FY 2021-22 in regard to tax deducted at source for non-compliances to the provision of the act that has been verified from TRACES.	0.10	-
2. The Income Tax Department has raised demands for FY 2019-20 in regard to mismatch between TDS claimed by taxpayer and computed u/s 143(1) that has been verified from intimation u/s 143(1) order date 09/12/2021.	0.08	
<b>b). Guarantees excluding financial guarantees</b>	120.00	-
1. The Company has been provided corporate guarantee for cash credit loan from Axis Bank limited for its subsidiaries i.e. Desi Fusion India Private Limited Amount of Rs. 120 lakhs		
2. The Company has been provided bank guarantee to Puducherry Health and Family Welfare Services Department from Bank of India for EPBG.	0.30	
3. The Company has been provided bank guarantee to ESIC PGIMS Medical College & Model Hospital from Bank of India for EPBG.	0.25	
<b>c). Others money for which the company is contingently liable</b>	-	-
<b>Commitments</b>		
<b>a). Estimated amount of contracts remaining to be executed on capital account and not provided for</b>	-	-
<b>b). Uncalled liability on shares and other investments partly paid</b>	-	-
<b>c). Other commitments</b>	-	-

**Note 33. Additional Regulatory Information as per Schedule II of The Companies Act, 2013**

- The company does not own any immovable property
- The Company does not have any investment property; hence company has not required to disclose whether investment property is valued at fair value is based on the valuation by a Registered valuer as defined rule 2 of the companies (Registered Valuers and Valuation) Rules 2017.
- The Company has not revalued its Property, Plant and Equipment (including Right of use Assets), hence the company has not required to disclose whether the valuation is based on the valuation by a registered valuer as defined under rule 2 of the company (Registered Valuers and Valuation) Rules 2017.
- The Company has not revalued its Intangible Assets; hence the company has not required to disclose whether the valuation is based on the valuation by a registered valuer as defined under rule 2 of the company (Registered Valuers and Valuation) Rules 2017.

The disclosure of the Loans and Advances in the nature of the loans granted to promoters, directors, KMPs and the related parties (as defined in Companies Act, 2013) either severally or jointly with any other persons that are

- a) Repayable on demand or
- b) Without specifying any terms or period of repayments.

Type of Borrowers	Amount of loans and advances in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans.
Promoters	NIL	NIL
Directors	NIL	NIL
KMP's	NIL	NIL
Related Parties	NIL	NIL

#### Capital Work in Progress

Particulars	Amount in Capital Work in Progress for the year ended as at <u>Total 31 March, 2021</u>				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1 (Showroom) in progress	0.54	-	-	-	0.54

There are no intangible assets under development as at Balance Sheet date.

#### Benami Property

No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules thereunder

#### Returns and filing to Banks and financial institutions

The company has availed borrowings from banks and financial institutions on the basis of the security of its current assets. The quarterly returns and statements filed with them are in agreements with the books of accounts

#### Wilful Defaulters

The company is not declared as wilful defaulter by any bank or financial institutions or other lender

#### Relationship with struck off companies

The company has not entered into any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

#### Registration or satisfaction of charges with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with Registrar of Companies beyond the statutory period.

#### 1. Layers of the company

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, The company have a subsidiary company i.e. Desi Fusion India Private Limited as at the balance sheet date.

**2. Corporate Social Responsibility (CSR)**

The Company has not been required to constitute CSR committee and to make expenses towards CSR activities as per the requirements of Section 135 of the Companies Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

**3. Crypto Currency or Virtual Currency**

The Company has not been traded or invested in Crypto Currency and Virtual Currency during the financial year.

**Financial Ratios**a) Current ratio (*Current Assets / Current Liabilities*)

Particulars	FY 2021-22	FY 2020-21
Current Assets	2669.20	2187.68
Current Liabilities <sup>(1)</sup>	1099.14	803.09
Current ratio	<b>2.43</b>	<b>2.72</b>
% Change	(10.66)%	

Reasons for variation more than 25% - **No variation**

<sup>(1)</sup> Current Liabilities include short term borrowings availed by the Company and current maturities of long-term loans (including current maturities of lease liabilities).

b) Debt-Equity Ratio (*Debt / Equity*)

Particulars	FY 2021-22	FY 2020-21
Debt <sup>(2)</sup>	1476.19	771.82
Net worth	1487.38	1476.68
Debt-Equity Ratio	<b>0.99</b>	<b>0.52</b>
% Change	90.38%	

Reasons for variation more than 25% - **Due to increase in long term borrowings and lease liabilities.**

<sup>(2)</sup> Debt includes long term borrowings, secured and unsecured, short-term borrowings availed by the Company and current maturities of long-term loans (including current maturities of lease liabilities).

c) Debt-Service Coverage Ratio (*Profit Before Tax + Depreciation + Interest on term loans / Total Loan instalments*)

Particulars	FY 2021-22	FY 2020-21
PBT + Dep + Interest	238.16	440.41
Loan Installments	282.33	237.64
Debt Service Coverage Ratio	<b>0.84</b>	<b>1.85</b>
% Change	(54.59%)	

Reasons for variation more than 25% - **The profits before tax decreases in FY 2021-22 as compared to previous year.**

d) Return on Equity Ratio (PAT / Net Worth)

Particulars	FY 2021-22	FY 2020-21
PAT	10.70	150.36
Net worth	1487.38	1476.68
Return on Equity Ratio	<b>0.01</b>	<b>0.10</b>
% Change	(90%)	

Reasons for variation more than 25% - **The profits after Tax decreases in FY 2021-22 as compared to previous year.**

e) Inventory Turnover Ratio (Turnover / Inventory)

Particulars	FY 2021-22	FY 2020-21
Inventory	1439.48	1387.53
Turnover	5520.18	4568.86
Inventory Turnover Ratio	<b>3.83</b>	<b>3.29</b>
% Change	16.41%	

Reasons for variation more than 25% - **No variation**f) Trade Receivables Turnover Ratio (Turnover / Trade Receivables)

Particulars	FY 2021-22	FY 2020-21
Trade Receivables	760.68	514.89
Turnover	5520.18	4568.86
Trade Receivables Turnover Ratio	<b>7.26</b>	<b>8.87</b>
% Change	(18.15%)	

Reasons for variation more than 25% - **No variation**Trade Payables Turnover Ratio (Purchases / Trade payables)

Particulars	FY 2021-22	FY 2020-21
Trade Payables	274.51	322.56
Purchases	2590.04	1696.33
Trade Payables Turnover Ratio	<b>9.44</b>	<b>5.26</b>
% change	79.47%	

Reasons for variation more than 25% - **Purchase increase in FY 2021-22 as compared to previous year**g) Net Capital Turnover Ratio (Turnover / Net worth)

Particulars	FY 2021-22	FY 2020-21
Net worth	1487.38	1476.68
Turnover	5520.18	4568.86
Net Capital Turnover Ratio	<b>3.71</b>	<b>3.09</b>
% Change	20.06%	

Reasons for variation more than 25% - **No variation**h) Net Profit Ratio (PAT / Sales)

Particulars	FY 2021-22	FY 2020-21
PAT	10.70	150.36
Sales	5520.18	4568.86
Net Profit Ratio	<b>0.19%</b>	<b>3.29%</b>
% change	(94.22%)	

Reasons for variation more than 25% - **The profits after Tax decreases in FY 2021-22 as compared to previous year.**i) Return on Capital Employed (Earnings before Interest and Tax / Capital Employed)

Particulars	FY 2021-22	FY 2020-21
Capital employed <sup>(3)</sup>	2492.06	2081.53
EBIT	143.16	350.66
Return on capital employed	5.74%	16.85%
% Change	(65.93%)	

Reasons for variation more than 25% - **The EBIT decreases in FY 2021-22 as compared to previous year**

<sup>(3)</sup> Capital employed includes Net worth and long-term borrowings, secured and unsecured (including current maturities).

j) Return on Investments (Profit After Tax / Net worth)

Particulars	FY 2021-22	FY 2020-21
<b>PAT</b>	10.70	150.36
<b>Networth</b>	1487.38	1476.68
<b>Return on Investment</b>	0.72%	10.18%
<b>% Change</b>	(92.93%)	

Reasons for variation more than 25% - **The PAT decreases in FY 2021-22 as compared to previous year**

4. Compliance with approved schemes of arrangements

There is no scheme approved by competent authority as at balance sheet date.

Utilisation of Borrowed Funds and Share Premium

The company has not advanced or loaned or invested funds to any other persons or entities with the understanding that, that person/entity should invest in any other person or entity identified in any manner whatsoever by or on behalf of the company or provided any guarantee, security, or like to or on behalf of the company.

The company has not received any amount from any other persons/entity with the understanding, whether written or oral, that the company shall directly or indirectly invest in any other person or entity.

# INDEPENDENT AUDITORS' REPORT

## (REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS)

To

The Members of

NANDANI CREATION LIMITED

Jaipur

### OPINION

We have audited the consolidated financial statements of NANDANI CREATION LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 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 March 31, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### BASIS OF OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### KEY AUDIT MATTERS

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have not observed anything which falls under this.

### INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

To express an opinion on these consolidated financial statements based on our audit. We have considered the provisions of the Act, the Indian accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules there under. Those Standards require that we



comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

#### RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the 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. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Boards of Directors are 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 consolidated 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 decision of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated 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. The Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is not applicable on consolidated financial statements of the company, hence no reporting is made on clauses as specified in paragraph 3 and 4 of the said order.

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 of the aforesaid consolidated financial statements.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the

purposes of our audit have been received from the branches not visited by us.

- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and the returns received from the branches not visited by us.
- d) In our opinion, the aforesaid consolidated financial statements comply 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.
- e) On the basis of written representations received from the directors as on 31 March, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 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 controls, refer to our separate report in "Annexure B"
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. There were no pending litigations which would impact the consolidated financial position of the group
  - ii. The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the group.
  - iv. (a) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities

identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

(d) There were no dividends declared and paid by company during the year

(e) Whether the company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention. (Not applicable for current financial year)

**PLACE: JAIPUR**  
**DATED: 30.05.2022**

**FOR ASHOK HOLANI AND COMPANY**  
**CHARTERED ACCOUNTANT**  
**FRN: 009840C**

**Sd/-**  
**ASHOK HOLANI**  
**PARTNER**  
**M.NO.: 079784**  
**UDIN: 22079684AQJIN2464**

**ANNEXURE A REFERRED TO IN PARAGRAPH 8(G) OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF NANDANI CREATION LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED MARCH 31, 2022.**

**ON THE BASIS OF THE INFORMATION AND EXPLANATION GIVEN TO US DURING THE COURSE OF OUR AUDIT, WE REPORT THAT:**

1. (a)

a. The company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment.

b. The company has maintained proper records showing full particulars of intangible asset.

(b) According to the information and explanations given to us and based on the records of the company examined by us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification.

(c.) According to the information and explanations given to us and based on the records of the company examined by us, the total assets of the company include immovable property and the title deed of the immovable property are held in the name of the company.

(d) According to the information and explanations given to us and based on the records of the company examined by us, the company has not revalued its Property, Plant and Equipment or intangible asset or both during the year.

(e.) According to the information and explanations given to us and based on the records of the company examined by us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2. (a) According to the information and explanations given to us and based on the records of the company examined by us, physical verification of inventory has been conducted at reasonable intervals by the management but the coverage and procedure of such verification by the management should be strengthened and improved.

(b) According to the information and explanations given to us and based on the records of the company examined by us, the company has been sanctioned working capital limits in excess of Rs. 500 lakhs from banks. Company prepares and files its consolidated financial

statements on half yearly basis therefore it is not possible for us to comment on quarterly statements filed by the company to bank. On review of the half yearly statements filed with banks with the financial statements prepared there is significant variations reported below.

Particulars	Amount reported in statement filed with bank(A)	Amount reported in financial statement(B)	Difference
<b>(A-B)</b>			
<b>First Half Year</b>			
<b>Inventory</b>	1452.47	2265.87	(813.40)
<b>Trade Receivable</b>	940.23	908.30	31.93
<b>Trade Payable</b>	691.17	1178.27	(487.10)
<b>Second Half Year</b>			
<b>Inventory</b>	1656.00	2041.97	(385.97)
<b>Trade Receivable</b>	1160.52	1219.13	(58.61)
<b>Trade Payable</b>	646.10	899.12	(253.02)

3. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

a. The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year except as mentioned below.

Particular	Amount
<b>1. The Company has been provided corporate guarantee for cash credit loan from Axis Bank limited for its subsidiaries i.e. Desi Fusion India Private Limited Amount</b>	120 Lakhs

b. According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of secured and unsecured loans are, prima facie, not prejudicial to the interest of the Company.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of secured and unsecured loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of secured and unsecured loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given any advances in the nature of loans to any party.

f. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

4. According to the records of the company examined by us and as per the information and explanations given to us, the company has not provided any loans, secured or unsecured or advances in the nature of loans, therefore the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities are not applicable on the company.

5. The company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013

6. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

7 (a) According to the information and explanations provided to us and based on the records of the company examined by us, the company is not regular in depositing undisputed statutory dues including goods and service tax, Tax deducted at source, Tax collection at source, cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us, following undisputed amounts were payable in respect of the above were in arrears as on 31st march, 2022 for a period of more than six months from the date on when they become payable

Nature of Tax	Amount (In Lakh)
<b>The Income Tax Department has raised demands for FY 2021-22 in regard to tax deducted at source for non-compliances to the provision of the act that has been verified from TRACES.</b>	0.10
<b>The Income Tax Department has raised demands for FY 2019-20 in regard to mismatch between TDS claimed by taxpayer and computed u/s 143(1) that has been verified from intimation u/s 143(1) order date 09/12/2021.</b>	0.08

(b) According to the information and explanations given to us and based on the records of the company examined by us, there are no outstanding dues of Income tax or Sales tax or Service tax or Duty of Customs or duty of excise or value added tax which should be deposited on account of any dispute.

8. According to the information and explanations given to us and based on the records of the company examined by us, there is no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)

9. (a) According to the information and explanations given to us and based on the records of the company examined by us, the

company has not made defaults in repayment of loans or borrowing/interest to a financial institution or dues to debenture holders.

(b) According to the information and explanations given to us and based on our findings the company is not a declared willful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us and based on our findings of the same, the company has applied term loans availed from the bank and financial institutions for the purpose for which the loans were obtained

(d) According to the information and explanations given to us and based on our findings of the same, the company has not applied any funds raised on short term basis for the for the long-term purposes.

(e) According to the information and explanations given to us and based on our findings 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) According to the information and explanations given to us and based on our findings, company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies

10. (a) According to the information and explanations given to us and based on the records of the company examined by us, company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) According to the information and explanations given to us and based on the records of the company examined by us, company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

11. (a) During the course of our examination of the books and records of the company carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud by the company.

(b) According to the information and explanations given to us and based on the records of the company examined by us, no report has

been required to filed by the auditor under sub-section (12) of section 143 of the Companies Act, 2013 in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us and based on the records of the company examined by us, there is no whistle-blower complaints against the company.

12. In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Hence, Sub clause a,b,c of is not applicable to it.

13. According to the information and explanations given to us and based on the records of the company examined by us, the company is in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable rules, and where applicable, for all transactions with the related parties and the details of the related party transection have been disclosed in the financial statements as required by the applicable accounting standards.

14. As per section 138 of Companies Act,2013 read with rule 13 of Companies (Accounts) Rules, 2014 company is required to appoint internal auditor as per size and nature of its business.

We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

15. According to the records of the company examined in course of our audit and as per information and explanations given to us, the company has not entered in any non-cash transaction with directors or persons connected with him. Hence, provisions of Section 192 are not applicable to the company.

16. According to information and explanations given to us and on the basis of records of the company examined by us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, sub clause b, c and d are not applicable on the company.

17. According to information and explanations given to us and on the basis of records of the company examined by us, the company has not incurred cash losses in the current financial year and immediately preceding year.



18. According to information and explanations given to us and on the basis of records of the company examined by us there has been no resignation of the statutory auditors during the year.

19. According to information and explanations given to us and on the basis of records of the company examined and on the basis of the financial ratios, 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, there were no material

uncertainty exists as on the date of the audit report that company is incapable 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;

20. According to information and explanations given to us and on the basis of records of the company examined and as per section 135 of Companies Act, 2013 CSR is not applicable on the company for the financial year covered under the audit, hence, Sub clause-a and of is not applicable to it.

**PLACE: JAIPUR**

**DATED: 30.05.2022**

**FOR ASHOK HOLANI AND COMPANY**

**CHARTERED ACCOUNTANT**

**FRN: 009840C**

**Sd/-**

**ASHOK HOLANI**

**PARTNER**

**M.NO.: 079784**

**UDIN: 22079684AQJIN2464**

**ANNEXURE B REFERRED TO IN PARAGRAPH 8(G) OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF NANDANI CREATION LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED MARCH 31, 2022.**

**REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

We have audited the internal financial controls over financial reporting of **NANDANI CREATION LIMITED**. ("The Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of

internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with 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. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal

financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting

and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**PLACE: JAIPUR****DATED: 30.05.2022****FOR ASHOK HOLANI AND COMPANY****CHARTERED ACCOUNTANT****FRN: 009840C****Sd/-****ASHOK HOLANI****PARTNER****M.NO.: 079784****UDIN: 22079684AQTIIN2464**

NANDANI CREATION LIMITED				
CIN: L18101RJ2012PLC037976				
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022				
				(Rs. in Lakhs)
Particulars	Note No.	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2021
<b>A. ASSETS</b>				
<b>(1) NON-CURRENT ASSETS</b>				
(a) Property, Plant and Equipment	2.1	166.10	120.47	114.46
(b) Capital Work-in-Progress	2.3	-	0.54	-
(c) Other Intangible Assets	2.1	3.79	4.59	5.43
(d) Right to use assets	2.2	372.97	189.24	264.33
(e) Financial Assets				
(i) Investments	3	5.97	31.61	19.98
(ii) Trade Receivables	4	60.08	14.74	0.73
(iii) Loans	5	-	27.23	27.23
(iv) Other Financial Assets	6	82.64	58.96	31.49
(f) Deferred Tax Assets (Net)	7	29.81	18.16	10.54
(g) Other Non-current Assets		-	-	0.40
<b>SubTotal Non Current Assets</b>		<b>721.37</b>	<b>465.54</b>	<b>474.58</b>
<b>(2) CURRENT ASSETS</b>				
(a) Inventories	8	2,041.97	2,219.54	2,326.05
(b) Financial Assets				
(i) Investments				
(ii) Trade Receivables	9	1,159.05	645.40	884.01
(iii) Cash and Cash Equivalents	10	11.29	8.21	7.99
(iv) Bank Balance other than (iii) above	10	11.44	5.75	3.53
(v) Other Financial Asset	11	369.68	251.05	202.68
<b>SubTotal Current Assets</b>		<b>3,593.43</b>	<b>3,129.96</b>	<b>3,424.27</b>
<b>Total Assets (1+2)</b>		<b>4,314.80</b>	<b>3,595.50</b>	<b>3,898.85</b>
<b>EQUITY AND LIABILITIES</b>				
<b>(1) EQUITY</b>				
(a) Equity Share capital	12	1,003.40	1,003.40	823.40
(b) Other Equity	13	575.90	525.25	225.97
(c) Non-controlling interest		0.01	0.01	0.00
<b>Total Equity</b>		<b>1,579.30</b>	<b>1,528.65</b>	<b>1,049.37</b>
<b>(2) LIABILITIES</b>				
<b>(1) Non Current Liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	14	437.36	218.30	518.12
(ia) Lease liabilities	14	377.96	161.54	221.60
(ii) Trade payables	15			
A. Total outstanding dues of micro enterprises and small enterprises		-	0.08	0.08
B. Total outstanding dues of creditors other than micro enterprises and small enterprises		0.77	0.26	5.70
(iii) Other financial liabilities		-	-	-
(b) Provisions	16	18.97	10.68	12.70
(c) Deferred tax liabilities (net)				
(d) Other non current liabilities				
<b>Sub Total Non Current Liabilities</b>		<b>835.07</b>	<b>390.87</b>	<b>758.19</b>

<b>(2) Current Liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	17	896.15	526.49	508.24
(ii) Trade payables	18			
A. Total outstanding dues of micro enterprises and small enterprises		474.56	388.14	614.81
B. Total outstanding dues of creditors other than micro enterprises and small enterprises		423.79	652.88	865.30
(iii) Other financial liabilities	19	-	0.18	-
(b) Other current liabilities	20	46.76	73.49	55.76
(c) Provisions	21	30.92	19.58	18.35
(d) Current tax liabilities (net)	22	28.27	15.23	28.84
<b>Sub Total Current Liabilities</b>		<b>1,900.44</b>	<b>1,675.99</b>	<b>2,091.29</b>
<b>Total Liabilities (1+2)</b>		<b>2,735.50</b>	<b>2,066.85</b>	<b>2,849.48</b>
<b>Total Equity and Liabilities (1+2)</b>		<b>4,314.80</b>	<b>3,595.50</b>	<b>3,898.85</b>
<b>Significant Accounting Policies and Notes to Financial Statements</b>	1 to 33			

IN TERMS OF OUR REPORT OF EVEN DATE  
FOR ASHOK HOLANI & CO.  
CHARTERED ACCOUNTANTS

Sd/-  
ASHOK HOLANI  
PARTNER  
M.No. 079684

DATE: 30.05.2022  
PLACE: JAIPUR  
UDIN: 22079684AQTJIN2464

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
OF NANDANI CREATION LIMITED

Sd/-  
ANUJ MUNDHRA  
MANAGING DIRECTOR  
DIN: 05202504

Sd/-  
DWARKA DASS MUNDHRA  
CHIEF FINANCIAL OFFICER

Sd/-  
VANDANA MUNDHRA  
WHOLE-TIME DIRECTOR  
DIN: 05202403

Sd/-  
GUNJAN JAIN  
COMPANY SECRETARY

<p style="text-align: center;"><b>NANDANI CREATION LIMITED</b>  <b>CIN: L18101RJ2012PLC037976</b>  <b>CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31,2022</b></p>			
			(Rs. in Lakhs)
Particulars	Note No.	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Income</b>			
I. <b>Revenue from operations</b>	23	6,267.92	4,774.89
II. Other Income	24	66.61	45.99
<b>III.Total Income (I + II)</b>		<b>6,334.53</b>	<b>4,820.88</b>
<b>IV Expenses:</b>			
Cost of materials consumed	25	360.33	150.10
Purchases of Stock-in-trade	26	2,373.69	1,693.41
Changes in stock of finished goods, work-in progress and stock-in-trade	27	148.55	(5.11)
Employee benefit expense	28	239.31	202.81
Finance costs	29	153.61	175.86
Depreciation and amortisation expense	2	132.77	111.46
Other expenses	30	2,857.73	2,269.92
Total expenses (IV)		<b>6,265.99</b>	<b>4,598.45</b>
<b>V Profit before exceptional and tax (III - IV)</b>		<b>68.54</b>	<b>222.43</b>
VI Exceptional items	30.2	-	5.00
<b>VII Profit before tax (V-VI)</b>		<b>68.54</b>	<b>217.43</b>
<b>VIII Tax expense</b>			
Current tax		28.11	67.70
Tax expense for previous year		2.29	0.19
Deferred tax	7	11.62	10.99
<b>IX Profit for the period (VII-VIII)</b>		<b>49.76</b>	<b>160.53</b>
<b>X Other Comprehensive Income</b>			
A. (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax on above		-	-
B. (i) Items that will be reclassified to profit or loss		0.53	13.40
(ii) Income tax on above		(0.13)	(3.37)
<b>Total Other Comprehensive Income (X)</b>		<b>0.40</b>	<b>10.03</b>
<b>XI. Total Comprehensive Income for the year (IX+X)</b>		<b>50.16</b>	<b>170.56</b>
<b>Profit for the year attributable to:</b>			
(i) Shareholders of the Company		49.76	160.53
(ii) Non-controlling interests		0.00	0.00
		<b>49.76</b>	<b>160.53</b>
<b>Other comprehensive income for the year attributable to:</b>			
(i) Shareholders of the Company		0.40	10.03
(ii) Non-controlling interests		0.00	0.00
		<b>0.40</b>	<b>10.03</b>
<b>Total comprehensive income for the year attributable to:</b>			
(i) Shareholders of the Company		50.16	170.56
(ii) Non-controlling interests		0.00	0.00
		<b>50.16</b>	<b>170.56</b>
<b>XII Earnings per equity share</b>			
(1) Basic	31	0.50	2.06
(2) Diluted	31	0.50	2.06
<b>Significant Accounting Policies and Notes to Financial Statements</b>	1 to 33		
<b>The Notes referred to above form an integral part of the Balance Sheet.</b>			



IN TERMS OF OUR REPORT OF EVEN DATE  
FOR ASHOK HOLANI & CO.  
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
OF NANDANI CREATION LIMITED

Sd/-  
ASHOK HOLANI  
PARTNER  
M.No. 079684

Sd/-  
ANUJ MUNDHRA  
MANAGING DIRECTOR  
DIN: 05202504

Sd/-  
VANDANA MUNDHRA  
WHOLE-TIME DIRECTOR  
DIN: 05202403

DATE: 30.05.2022  
PLACE: JAIPUR  
UDIN: 22079684AQTJIN2464

Sd/-  
DWARKA DASS MUNDHRA  
CHIEF FINANCIAL OFFICER

Sd/-  
GUNJAN JAIN  
COMPANY SECRETARY

<p style="text-align: center;"><b>NANDANI CREATION LIMITED</b>  <b>CIN: L18101RJ2012PLC037976</b>  <b>Cash Flow Statement for the year ended March 31, 2022</b></p>		
		(Rs. in Lakhs)
Particulars	For The Year Ended 31st March, 2022	For The Year Ended 31st March, 2021
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	68.54	222.43
<b>Adjustments for:</b>		
Exceptional Item	-	(5.00)
Depreciation and amortisation of Property, Plant and Equipment	132.77	111.46
Finance costs	153.61	175.86
Profit on sale of fixed assets	-	(0.57)
Re-measurement gain/loss on routed through OCI	0.53	13.40
Remeasurement gains (losses) on defined benefit plan	0.49	2.72
<b>Operating profit / (loss) before working capital changes</b>	<b>355.94</b>	<b>520.30</b>
<b>Changes in working capital:</b>		
<b>Adjustments for (increase) / decrease in operating assets:</b>		
Investment	-	-
Inventories	177.57	106.51
Trade receivables	(558.99)	224.61
Other Financial asset	(118.62)	(48.37)
Other Current assets	-	-
	<b>(500.04)</b>	<b>282.75</b>
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Trade payables	(142.25)	(444.52)
Other financial liabilities	(0.18)	0.18
Other current liabilities	(26.73)	17.73
Current tax liabilities	13.04	(13.61)
Provisions	11.34	1.23
	<b>(144.78)</b>	<b>(438.98)</b>
<b>Cash generated from operations</b>	<b>(288.89)</b>	<b>364.07</b>
Net income tax (paid) / refunds	(29.54)	(67.94)
<b>Net cash flow from operating activities (A)</b>	<b>(318.42)</b>	<b>296.13</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances	(360.79)	(42.08)
Proceeds from sale of Fixed Assets	-	1.25
Investment Purchased	25.64	(11.64)
Long - Term Loans & Advances	27.23	-
Other financial asset	(23.68)	(27.48)
	<b>(331.60)</b>	<b>(79.94)</b>
<b>Net cash flow used in investing activities (B)</b>	<b>(331.60)</b>	<b>(79.94)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from Issue of Share Capital	-	180.00
Proceeds from Security Premium	-	126.00
Increase in long term Lease liability	216.42	(60.06)
Increase in other long-term Provisions	8.29	(2.02)
Net (increase) / decrease in working capital borrowings	369.66	18.25
Finance cost	(153.61)	(175.86)
Increase in long term borrowings	219.06	(299.82)
Increase in other financial liability	-	-
<b>Net cash flow used in financing activities (C)</b>	<b>659.82</b>	<b>(213.51)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A-B-C)</b>	<b>9.80</b>	<b>2.68</b>
Cash and cash equivalents at the beginning of the year	12.94	10.26
Effect of exchange differences on restatement of foreign currency	-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>22.74</b>	<b>12.94</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet</b>		
Cash and cash equivalents as per Balance Sheet (Refer Note 9)	22.73	12.94
Less: Bank balances not considered as Cash and cash equivalents as defined in IND AS 7 Cash Flow Statements (give details)	-	-
Net Cash and cash equivalents (as defined in IND AS 7 Cash Flow)	22.73	12.94
Add: Current investments considered as part of Cash and cash	-	-
<b>* Comprises:</b>		
(a) Cash on hand	11.29	8.21
(b) Cheques, drafts on hand	-	-
(c) Balances with banks		
(i) In current accounts	11.44	5.75
(ii) In EEFC accounts	-	-
(iii) In deposit accounts with original maturity of less than 3	-	-
(iv) In earmarked accounts (give details)	-	-
(d) Others (specify nature)	-	-
Deposits	-	-
(e) Current investments considered as part of Cash and cash	-	-

IN TERMS OF OUR REPORT OF EVEN DATE  
FOR ASHOK HOLANI & CO.  
CHARTERED ACCOUNTANTS

Sd/-  
ASHOK HOLANI  
PARTNER  
M.No. 079684

DATE: 30.05.2022  
PLACE: JAIPUR  
UDIN: 22079684AQTIJIN2464

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
OF NANDANI CREATION LIMITED

Sd/-  
ANUJ MUNDHRA  
MANAGING DIRECTOR  
DIN: 05202504

Sd/-  
DWARKA DASS MUNDHRA  
CHIEF FINANCIAL OFFICER

Sd/-  
VANDANA MUNDHRA  
WHOLE-TIME DIRECTOR  
DIN: 05202403

Sd/-  
GUNJAN JAIN  
COMPANY SECRETARY

NANDANI CREATION LIMITED					
CIN: L18101RJ2012PLC037976					
STATEMENT OF CHANGE IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2022					
A. Equity Share Capital					(Rs. in Lakhs)
Particulars				Number of Shares	Amount
As at April 01st, 2020				82,33,950.00	823.40
Changes in Equity Share Capital				18,00,000.00	180.00
As at March 31st, 2021				1,00,33,950.00	1,003.40
Changes in Equity Share Capital				-	-
Ast at March 31st, 2022				1,00,33,950.00	1,003.40
B. Other Equity					
	Reserve and Surplus		Retained Earning	Other item of OCI	Total
	General Reserve	Securities Premium			
Balances at the beginning of April 1st, 2020	5.00	-	220.97	-	225.97
Transition Adjustment for the fair Value change of Investement	-	-	-	10.03	10.03
Total Comprehensive Income for the period	-	-	160.53	-	160.53
Securities Premium		126.00			126.00
Add:Remeasurement gains/(losses) on defined benfit plan			2.72		2.72
Balance as the end of the period as on March 31st, 2021	5.00	126.00	384.22	10.03	525.25
Total Comprehensive Income for the period	-	-	49.76		49.76
Transition Adjustment for the fair Value change of Investement	-	-	-	0.40	0.40
Add:Remeasurement gains/(losses) on defined benfit plan			0.49		0.49
Ast at March 31st, 2022	5.00	126.00	434.47	10.43	575.90

IN TERMS OF OUR REPORT OF EVEN DATE  
FOR ASHOK HOLANI & CO.  
CHARTERED ACCOUNTANTS

Sd/-  
ASHOK HOLANI  
PARTNER  
M.No. 079684

DATE: 30.05.2022  
PLACE: JAIPUR  
UDIN: 22079684AQTJIN2464

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
OF NANDANI CREATION LIMITED

Sd/-  
ANUJ MUNDHRA  
MANAGING DIRECTOR  
DIN: 05202504

Sd/-  
DWARKA DASS MUNDHRA  
CHIEF FINANCIAL OFFICER

Sd/-  
VANDANA MUNDHRA  
WHOLE-TIME DIRECTOR  
DIN: 05202403

Sd/-  
GUNJAN JAIN  
COMPANY SECRETARY

**Note No.1 to the Consolidated financial Statements for the Year ending on 31<sup>st</sup> March 2022.**

**A. Background of the Company**

The Company was incorporated as Nandani Creation Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation having CIN: U18101RJ2012PLC037976 dated February 21, 2012, in Jaipur. Further, Company was converted into public limited company i.e. Nandani Creation Limited having CIN: L18101RJ2012PLC037976 vide fresh certificate of incorporation dated August 12, 2016.

The registered office of the company is situated G-13 Kartarpura Industrial Area Near 22 Godam, Jaipur-302006.

The company is engaged in Manufacturing, produced, import, export, wholesalers, trader, buyer, seller, job workers of dress materials, suits, sarees, garments of men, women and children including sportswear, active wear, daily wears, fashion wears, party wears wearing apparels purses, belts, wallets, and other allied good made from cotton, silk, synthetics, jute, velvet, woolen, leather, rexine or with any combination thereof and to participate in local, national and international trade fairs, sales exhibitions, seminars, fashion shows or any other sales promotion scheme.

**B. Significant Accounting Policies: -**

**1. Compliance with Indian Accounting Standards: -**

This is first year, the company has been adopted Indian Accounting Standard (IND AS), therefore the consolidated financial statements are prepared in accordance with the IND AS as prescribed under section 133 of The Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standard) Rules 2015 and other relevant provision of this Act.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria as set out in Division II of Schedule III to the Companies Act, 2013.

The consolidated financial statements have been prepared on a Historical cost basis except for certain financial assets and liabilities that are measured at fair values.

Earlier the company had been prepared their financial statements accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (Indian GAAP), due to first time adoption of IND AS company has been required to prepare their financial statement accordance to IND AS with complied IND AS 101 "First Time Adoption of IND AS".

**First time adoption of Ind AS (IND AS 101)**

**A. Basis of Preparation**

The accounting policies set out in Note 1 have been applied in preparing financial statements for the year ended March 31, 2022, the comparative information presented in these financial statements for the year ended March 31, 2021, and in preparation of an opening Ind AS balance sheet at April 1, 2020 (the Company's date of transition). In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

**a. Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**Ind AS optional exemptions**

**i. Deemed cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value of all its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Asset. Accordingly, the Company has elected to measure all its property, plant and equipment at their previous GAAP carrying value.

Ind AS mandatory exceptions**ii. Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2020 are consistent with the estimates as at the same date made in conformity with previous GAAP.

**iii. Derecognition of financial assets and financial liabilities**

Ind AS 101 required a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements from a date of entity's choosing, provided the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for these transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 retrospectively from the date of transition to Ind AS.

**iv. Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on the facts and circumstances that existed on the date of transition to Ind AS

Reconciliation between previous GAAP and Ind AS

The following reconciliations provide the explanation and qualification of the differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards.

- Reconciliation of Balance Sheet as at April 01, 2020 and March 31, 2021
- Reconciliation of Total Comprehensive Income for the year ended March 31, 2021

Reconciliation of Balance Sheet as at 31 March 2021 and 01 April, 2020

(In ₹ Lakhs)

Particulars	Note No.	As per Previous GAAP 01 April 2020	IND AS Adjustments	As per Ind-AS 01 April 2020	As per Previous GAAP 31 March 2021	IND AS Adjustments	As per Ind-AS 31 March 2021
<b>(1) NON-CURRENT ASSETS</b>							
<b>(a) Property, Plant and Equipment</b>		114.46	-	114.46	120.47	-	120.47
<b>(b) Capital Work-in-Progress</b>		-	-	-	0.54		0.54
<b>(c) Other Intangible Assets</b>		5.43	-	5.43	4.59	-	4.59
<b>(d) Right to use Assets</b>	1	-	264.33	264.33	-	189.24	189.24
<b>(e) Financial Assets</b>		-	-	-	-		-
<b>(i) Investments</b>	2	20.81	(0.83)	19.98	18.63	12.98	31.61
<b>(ii) Trade Receivables</b>		0.73		0.73	14.74		14.74



(iii) Loans		27.23	-	27.23	27.23	-	27.23
(iv) Other Financial Assets		31.49	-	31.49	58.96	-	58.96
(f) Current Tax Assets		-	-	-	-		-
(g) Deferred Tax Assets (Net)	3	7.79	2.75	10.54	8.03	10.13	18.16
(h) Other Non-current Assets		0.40	-	0.40	-		-
<b>Subtotal Non-Current Assets</b>		<b>208.33</b>	<b>266.25</b>	<b>474.58</b>	<b>253.19</b>	<b>212.35</b>	<b>465.54</b>
<b>(2) CURRENT ASSETS</b>							
(a) Inventories		2326.05	-	2326.05	1,387.53		2219.54
(b) Financial Assets		-		-	-		-
(i) Investments		-		-	-		-
(ii) Trade Receivables		884.01	-	884.01	514.89		645.40
(iii) Cash and Cash Equivalents		7.99	-	7.99	7.42		8.21
(iv) Bank balance other than (iii) above		3.53	-	3.53	5.52		5.75
(v) Other Financial Asset		202.68	-	202.68	287.06		251.05
(c) Other Current Assets		-	-	-	-		-
<b>Subtotal Current Assets</b>		<b>3424.27</b>	<b>-</b>	<b>3424.27</b>	<b>2202.42</b>	<b>-</b>	<b>3129.96</b>
<b>Total Assets (1+2)</b>		<b>3632.60</b>	<b>266.25</b>	<b>3898.85</b>	<b>2455.61</b>	<b>214.39</b>	<b>3595.50</b>
<b>EQUITY AND LIABILITIES</b>							
<b>(1) EQUITY</b>							
(a) Equity Share capital		823.40	-	823.40	1,003.40	-	1,003.40
(b) Reserve & Surplus		214.19	11.78	225.97	533.33	(8.08)	525.25
(c) Non-controlling interest				0.00			0.01
<b>Total Equity</b>		<b>1037.59</b>	<b>11.78</b>	<b>1049.37</b>	<b>1536.73</b>	<b>(8.08)</b>	<b>1528.65</b>
<b>(2) LIABILITIES</b>							
<b>(2) Non-Current Liabilities</b>							
<b>(a) Financial liabilities</b>							
(i) Long Term Borrowings	4	527.98	(9.86)	518.12	221.62	(3.32)	218.30
(ia) Lease liabilities	1	-	221.60	221.60	-	161.54	161.54

(ii) Trade payables		-		-	-		-
A. Total outstanding dues of micro enterprises and small enterprises		0.08		0.08	0.08		0.08
B. Total outstanding dues of creditors other than micro enterprises and small enterprises		5.70		5.70	0.26		0.26
(iii) Other financial liabilities		-	-	-	-	-	-
(b) Provisions		12.70	-	12.70	10.68	-	10.68
(c) Deferred tax liabilities (net)		-	-	-	-		-
(d) Other non-current liabilities		-	-	-	-	-	-
Sub Total Non-Current Liabilities		546.46	211.74	758.19	232.64	158.22	390.87
(3) Current Liabilities							
(a) Financial liabilities		-					
(i) Borrowings		508.24	-	508.24	526.49	-	526.49
(ii) Trade payables		-		-	-	-	-
A. Total outstanding dues of micro enterprises and small enterprises		614.81		614.81	388.14	-	388.14
B. Total outstanding dues of creditors other than micro enterprises and small enterprises		865.30		865.30	652.88	-	652.88
(iii) Other financial liabilities		-	-	-	0.18	-	0.18
(b) Other current liabilities	1	13.03	42.73	55.76	11.28	62.21	73.49
(c) Provisions		18.35	-	18.35	19.58	-	19.58
(d) Current tax liabilities (net)		28.84	-	28.84	15.23	-	15.23
Subtotal Current Liabilities		2048.57	42.73	2091.29	1613.78	62.21	1675.99
Total Liabilities (2+3)		2595.03	254.45	2849.48	1846.42	220.43	2066.85
Total Equity and Liabilities		3632.60	266.25	3898.85	3383.15	212.35	3595.50

\*Balances as per Previous GAAP have been reclassified/regrouped to match with Ind AS classification

Reconciliation of Total Comprehensive Income for The Year Ended March 31,2021

(Rs. in Lakhs)

Particulars	Note No.	Indian GAAP	IND AS Adjustments	Ind-AS
<b>Income</b>				
<b>I. Revenue from operations</b>		4774.89	-	4774.89
<b>II. Other Income</b>		45.57	0.42	45.99
<b>III. Total Income (I + II)</b>		<b>4820.46</b>	0.42	<b>4820.88</b>
<b>IV Expenses:</b>			-	
Cost of materials consumed		150.10	-	150.10
Purchases of Stock-in-trade		1693.41	-	1693.41
Changes in stock of finished goods, work-in-progress, and stock-in-trade		(5.11)	-	(5.11)
Employee benefit expense		202.81	-	202.81
Finance costs	4	142.62	33.24	175.86
Depreciation and amortisation expense	1	36.37	75.09	111.46
Other expenses	1	2337.19	(67.27)	2269.92
<b>Total expenses (IV)</b>		<b>4557.39</b>	<b>41.06</b>	<b>4598.45</b>
<b>V Profit before exceptional and tax (III - IV)</b>		<b>263.07</b>	<b>(40.64)</b>	<b>222.43</b>
<b>VI Exceptional items</b>		5.00	-	5.00
<b>VII Profit before tax (V-VI)</b>		<b>258.07</b>	<b>(40.64)</b>	<b>217.43</b>
<b>VIII Tax expense</b>			-	
Current tax		(67.70)	-	(67.70)
Tax expense for previous year		(0.19)	-	(0.19)
Deferred tax	3	0.24	10.75	10.99
<b>IX Profit for the period (VII-VIII)</b>		<b>190.42</b>	<b>(29.89)</b>	<b>160.53</b>
<b>X Other Comprehensive Income</b>			-	
(i) Items that will not be reclassified to profit or loss		-	-	-
(ii) Income tax on above		-	-	-

(i) Items that will be reclassified to profit or loss	2	-	13.40	13.40
(ii) Income tax on above		-	(3.37)	(3.37)
<b>Total Other Comprehensive Income (X)</b>		-	10.03	10.03
<b>XI. Total Comprehensive Income for the year (IX+X)</b>		<b>190.42</b>	<b>(19.87)</b>	<b>170.56</b>

\*Balances as per Previous GAAP have been reclassified/regrouped to match with Ind AS classification.

Explanations for reconciliation of Balance sheet as previously reported under previous GAAP to Ind AS

- Right to use of assets and Lease Liabilities:** - Right to use of assets and Lease Liabilities are recognised as per IND AS 116 "Leases" retrospectively from transition date and current maturities of lease liabilities are shown under other current liabilities. Right to use of assets is shown less depreciation and lease rent reversed as per IND AS requirements from transition date.
- Investments:** - Investments are revalued as per IND AS 28 "Investments" from transition date on fair market value basis and their profit and loss are accounted in other comprehensive income (OCI).
- Deferred Tax:** - Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 income Taxes requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of asset or liability in the balance sheet and its corresponding tax base. The application of Ind AS 12 approaches has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.  
In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or as separate component of equity.
- Long Term Borrowings:** - borrowings are recognised as per IND AS 109 "Financial Instruments" retrospectively from transition date and their simultaneously effect are provided in finance cost.

Reconciliation of between financial results and equity as per IND AS and as previously reported under GAAP for the year as under

(Rs. in Lakhs)

Total comprehensive Income Reconciliation	Year Ended 31.03.2021
Net profit as reported under previous GAAP	190.42
Interest on lease	(33.24)
Depreciation on Lease hold Land	(75.09)
Reversal of Lease	67.27
Deferred Tax Impact	10.75
Net Profit as per IND AS	160.11
Other Comprehensive Income net of tax	10.45
Total comprehensive income as per IND AS	170.56

Equity Reconciliation	Year Ended 31.03.2021
Equity Reported under previous GAAP	533.33
Right to use assets	189.24
Investment on fair value	12.98
Lease Liabilities	(223.75)
Amortisation of borrowing cost	3.32
Impact of deferred tax assets	10.13
Net Equity under IND AS	515.25

### 1.1 Basis of Consolidation

**Investments in subsidiary:** - The Company is able to exercise control over the operating decisions of the investee company, resulting in variable returns to the Company, and accordingly, the same has been classified as investment in subsidiary and line by line by consolidation has been carried under the principles of consolidation. The Consolidated financial statements of the Company have been prepared on the following basis:

- The financial statements of the subsidiary used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31 March 2022.
- The financial statements of the Company and its subsidiary have been combined on a line by- line basis by adding together like items of asset, liabilities, income and expenses, after eliminating intra-Company balances, intra-Company transactions and resulting unrealized profit or losses, unless cost cannot be recovered.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are prepared to the extent possible, for all significant matters in the same manner as the Company's separate financial statements.

**Non-controlling interests (NCI):** - NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Company's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions

### 2. Use of estimates and judgments: -

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosure and the disclosure of contingent liabilities. Uncertainty about these estimates and assumptions could result in outcomes that requires material adjustments to the carrying amount of the assets and liabilities in future period/s.

These estimates and assumptions are based on the facts and events, that existed as at the date of Statement of Financial Position, or that occurred after that date but provide additional evidence about conditions existing as at the Statement of Financial Position date.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

#### I. Useful lives of Property, Plant and Equipment

The Property, Plant and Equipment are depreciated, on written down value basis in the case of other assets, over their respective useful lives. Management estimates the useful lives of these assets as detailed in Point 10. Changes in the expected level of usage, technological developments, level of wear and tear could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised and could have an impact on the profit/loss in future years.

## II. Retirement benefit obligation

The cost of retirement benefits and present value of the retirement benefit obligations in respect of Gratuity is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, these retirement benefit obligations are sensitive to changes in these assumptions.

All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of Government Bonds with a tenure similar to the expected working lifetime of the employees. The mortality rate is based on publicly available mortality table for the specific countries.

## III. Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

## 3. Functional and presentation currency: -

The financial statements are prepared in Indian Rupees ('Rs.'), which is the Company's functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the lakhs with nearest two decimal places, unless stated otherwise.

## 4. Current versus non-current classification: -

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it is: -

- expected to be realized, or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realized within 12 months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it is:

- expected to be settled in the normal operating cycle,
- held primarily for the purpose of trading,
- due to be settled within 12 months after the reporting date; or
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

## Operating Cycle:

The operating cycle is the time between acquisition of assets for processing and their realization in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

## 5. Revenue Recognition: -

Revenue has been recognised as per IND AS 18- Revenue Recognition issued by Central Government of India under the supervision and control of Accounting Standards Board (ASB) of Institute of Chartered Accountants of India. Revenue from sale of goods is recognized when significant risk and rewards of ownership of the goods have been passed to the buyer and it is reasonable to expect ultimate collection. Sale of goods is recognized net of GST and other taxes as the same is recovered from customers and passed on to the government

## 6. Taxes on Income: -

Tax expense for the year comprises of Current Tax and Deferred Tax.



**a) Current Tax**

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the tax regime inserted by the Taxation Laws (Amendment) Act, 2019 in the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.

**b) Deferred Tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

For detailed breakup of current year deferred tax refer to sub note 7. (Notes to the accounts)

**7. Provisions and Contingent Liability: -**

**a) Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of 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 to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**b) Contingent Liabilities**

A disclosure for a contingent liability is made 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 arising because of past event that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

For detailed contingent assets and liabilities refer to note 32. (Notes to the accounts)

**8. Tangible Assets & Capital Work-In-Progress: -**

Tangible Assets are stated at cost less Depreciation. Cost includes taxes, duties, freight and other incidental expenses related to acquisition, improvements and installation of the assets.

**10. Property, Plant & Equipment (PPE): -**

Property, Plant & Equipment, except the land, which is carried at its fair value, are accounted for on historical cost basis (inclusive of the cost of installation and other incidental costs till commencement of commercial production) net of recoverable taxes, less accumulated depreciation, and impairment loss, if any. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are added to the existing 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. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Depreciation on property, plant & equipment is provided on pro-rata basis, on written down value basis in the case of Plant & Machinery, Buildings and Data Processing Equipment, over the useful life of the assets estimated by the management, in the manner prescribed in Schedule II of the Companies Act, 2013. The asset's residual values, useful lives and method of depreciation are reviewed at the end of each reporting period and

necessary adjustments are made accordingly, wherever required. The useful lives in the following cases are different from those prescribed in Schedule II of the Companies Act, 2013. The Useful Life of Various assets are mentioned in the Chart below.

Class of Assets	Useful Life as per Schedule II	Useful Life as per Group
Computer	3 years	3 Years
Furniture & Fixtures	10 Years	10 Years
Office Equipments	5 Years	5 Years
Plant and Equipments	15 Years	15 Years
Vehicles	10 Years	10 Years
Motor Car	8 Years	8 years

#### 11. Financial Instruments: -

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

##### 1) Financial Assets

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

##### a) Initial recognition and measurement

At initial recognition, all financial assets are recognized at its fair value, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are 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.

##### b) Classification and subsequent measurement

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

- I. Financial assets measured at amortized cost.
- II. Financial assets measured at fair value through other comprehensive income (FVTOCI); and
- III. Financial assets measured at fair value through profit and loss (FVTPL)

Where financial assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Profit and Loss (i.e. fair value through profit and loss), or recognized in other comprehensive income (i.e. fair value through Other Comprehensive Income).

The classification of financial assets depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of its financial assets at initial recognition.

##### I. Financial assets measured at amortized cost:

A financial asset is measured at amortized cost if both the following conditions are met:

- **Business Model Test:** The objective of the business model is to hold financial asset in order to collect contractual cash flows (rather than to sell the asset prior to its financial maturity to realize its fair value changes); and
- **Cash Flow Characteristics Test:** Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such financial asset is subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in interest income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit or loss. This category generally applies to trade receivables, deposits with banks, security deposits, investment in debt instruments, cash and cash equivalents and employee loans, etc.

##### II. Financial instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI):

A financial instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- **Business Model Test:** The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- **Cash Flow Characteristics Test:** The Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on principal amount outstanding.

Financial instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value. Fair value movements are recognized in Other Comprehensive Income (OCI) except for the recognition of interest income, impairment gains and losses and foreign exchange gain and losses which are recognized in the Statement of Profit and Loss. This category generally applies to non-current investments in un-quoted equity instruments.

### **III. Financial instruments measured at Fair Value Through Profit and Loss (FVTPL)**

Fair Value Through Profit and Loss is a residual category. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or fair value through other comprehensive income is classified as FVTPL. Financial instruments included in FVTPL category are measured initially as well as at each reporting period at fair value. Fair value movements i.e., gain or loss and interest income are recorded in Statement of Comprehensive Income.

#### **a. Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial Assets measured at amortized cost.
- Financial Assets measured at FVTOCI.

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Financial assets that are debt instruments, and are measured at amortized cost i.e. trade receivables, deposits with banks, security deposits and employee loans etc.
- Financial assets that are debt instruments and are measured at FVTOCI. The Company as at the Balance Sheet date is not having any such instruments.

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The trade receivables are initially recognized at the sale/recoverable value and are assessed at each Balance Sheet date for collectability. Trade receivables are classified as current assets, if collection is expected within twelve months as at Balance Sheet date, if not, they are classified under non-current assets.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months (Expected Credit Loss) ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on timely basis.

#### **b. Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's Balance Sheet date) when:

- a) The rights to receive cash flows from the asset have been expired/transferred, or
- b) The Company retains the contractual right 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 Company has transferred an asset, it evaluates whether it has substantially transferred all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. When the Company has not transferred substantially all the risks and rewards of ownership of a financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. When the entity retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

## 2) Financial Liabilities

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

### a) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include loans, borrowings, trade payables, security deposits and other payables etc.

### b) Subsequent measurement

All the financial liabilities after initial recognition at fair value, are subsequently measured at amortized cost using EIR method. Amortized cost is calculated by considering any discount or premium on acquisition and costs or fee that is an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

### c) Financial Guarantee Contract

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

### d) 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 de-recognition 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.

### e) Offsetting of financial instruments:

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet, if there is enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## 12. Earnings per Share: -

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. The numbers of equity shares are adjusted retrospectively for all periods presented.

The Calculation of Weighted Average Number of Equity Shares for Earning per share is described below: -

Particulars	Current Year			Previous Year		
	No. Of Shares outstanding	No. Of Days outstanding	Weighted average number of Shares	No. Of Shares Outstanding	No. Of Days outstanding	Weighted average number of Shares
Number of Shares outstanding at the Beginning of the year	10033950	365	10033950	8233950	365	8233950
By way of Bonus Issue	0	0	0	0	0	0
Issue through preferential allotment	0	0	0	1800000	9	44384
Total Shares outstanding at the end of the year	10033950		10033950	10033950		8278333.56

The Calculation of Weighted Average Number of Equity Shares for Restated Earnings per share described below: -

Particulars	Current Year			Previous Year		
	No. Of Shares outstanding	No. Of Days outstanding	Weighted average number of Shares	No. Of Shares Outstanding	No. Of Days outstanding	Weighted average number of Shares
Number of Shares outstanding at the Beginning of the year	10033950	365	10033950	8233950	0	8233950
By way of	0	0	0	0	0	0
Issue through preferential allotment	0	0	0	1800000	9	44384
Total Shares outstanding at the end of the year	10033950		10033950	10033950		8278333.56

**13. Investments: -**

Non-Current/ Long-term Investments are stated at fair value as per IND AS 32 and 109 except investment in subsidiaries are stated at cost. Provision is made for diminution in the value of the investments, if, in the opinion of the management, the same is considered to be other than temporary in nature. On disposal of an investment, the difference between it carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Current investments are carried at lower of cost and fair value determined on an individual basis. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Investments are either classified as current or non-current based on management's intention. Long Term Investments includes investment made in the share capital of Subsidiary Company which are carried at cost.

#### 14. Foreign Currency Transactions: -

##### a. Initial recognition

Transactions in foreign currency are accounted for at exchange rates prevailing on the date of the transaction.

##### b. Measurement of foreign currency monetary items at Balance Sheet date

Foreign currency monetary items (other than derivative contracts) as at Balance Sheet date are restated at the year End rates.

##### c. Exchange difference

Exchange differences arising on settlement of monetary items are recognized as income or expense in the period in which they arise.

Exchange difference arising on restatement of foreign currency monetary items as at the year End being difference between exchange rate prevailing on initial recognition/subsequent restatement on reporting date and as at current reporting date is adjusted in the Statement of Profit & Loss for the respective year.

Any expense incurred in respect of Forward contracts entered into for the purpose of hedging is charged to the Statement of Profit and loss.

#### 15. Inventories: -

The Inventories are carried in the Balance Sheet as follows:

- A. Raw materials and stores & spares: At lower of cost and net realizable Value
- B. Finished goods and stock-in-process: At lower of cost, and net realizable value. Cost includes cost of inputs, conversion costs and other costs incurred in bringing finished goods and stock-in-process, to their present location and condition.

The net-realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make sale.

#### 16 Duty Drawback: -

Duty Drawback is recorded on Receipt basis. Management is not able to estimate the amount of Claim receivable, therefore the duty drawback is recorded on receipt basis rather than on Accrual basis.

#### 17. Prior Period Expenses: -

Prior Period Expenses for previous years have been expensed out during the current year and it is disallowed as per Income Tax Act.

#### 18. Management Remuneration: -

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been provided in the below mentioned table: -



**A. Remuneration to Managing Director, WTD and / or Manager:**

(Rs. in Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		MD	WTD	
1.	Gross Salary	32.67	19.80	52.47
	a) Salary as per Provisions contained in section 17(1) of the Income Tax Act,1961.			
	b) Value of perquisites u/s 17 (2) of Income Tax Act,1961			
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2.	Stock option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission	0	0	0
5.	Any other Benefits	0	0	0
	Total	32.67	19.80	52.47
	<b>Ceiling as per Schedule V of the Companies Act on the account of inadequate profit</b>			60.00

The remuneration is paid as per limits sets out in Section II Part A of Schedule V in case of no profit or inadequate profit and as per resolution passed in the General meeting of the members.

**B. Remuneration to key managerial personnel other than MD / Manager/ WTD: -**

Sr. No.	Particulars of Remuneration	Name of Managerial Person other than MD / WTD / Manager			Total Amount
		CEO	CFO	CS	
1.	Gross Salary	0.00	3.60	4.82	8.42
	a) Salary as per Provisions contained in section 17(1) of the Income Tax Act,1961.	0	0	0	0
	b) Value of perquisites u/s 17 (2) of Income Tax Act,1961	0	0	0	0
	c)Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2.	Stock option	0	0		0
3.	Sweat Equity	0	0		0
4.	Commission	0	0		0
5.	Any other Benefits	0	0		0
	Total	0.00	3.60	4.82	8.42

## 19. Cash and Cash Equivalents: -

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, fixed deposits with banks which are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

## 20. Segment Reporting: -

The activities of the company are such that the According to IND AS-108 "Operating Segment": is not applicable in the company.

## **21. Lease: -**

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. The Company allocates the consideration in the contract to the lease based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include net present value of the following lease payments:

- Fixed payments (including in substance fixed payments), less any lease incentives receivable,
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- Amounts expected to be payable by the Company under residual value guarantees,
- The exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for lease in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in similar economic environment with similar terms, security, and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability,
- Any lease payments made at or before the commencement date less any lease incentives received,
- Any initial direct costs, and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of twelve months or less.

## 22. Impairment of Non-Financial Assets: -

The Company assesses at each reporting date, using external and internal sources, whether there is an indication that a non-financial asset may be impaired and whether there is an indication of reversal of impairment loss recognised in the previous period/s. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying value of an asset exceeds its recoverable amount.

The recoverable amount is determined:

- in the case of an individual asset, at the higher of the asset's fair value less cost of sell and value in use; and
- in the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of the cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that effects current market assessments of the time value of money and the risks specific to that asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

An impairment loss for an asset is reversed, if and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized, the carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying

amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss being recognized for the asset in prior year/s.

**23. Employee Benefits: -**

**a. Short Term Employee Benefits**

All Employee benefits payable within twelve months of rendering the services are classified as short-term benefits. Such benefits include salaries, wages, bonus, awards, ex-gratia etc. and the same are recognized in the period in which the employee renders the related services.

**b. Defined contribution plan:**

The Company's approved provident fund scheme, pension scheme, employees' state insurance scheme, and employees' superannuation scheme are defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.

**c. Defined Benefit Plan**

The employees' Gratuity fund scheme is the Company's defined benefit plan and is partly funded / managed by a Trust. The liability with respect to gratuity is determined based on the actuarial valuation on projected unit credit method as at the balance sheet date. The difference, if any, between the actuarial valuation and the balance of the funds maintained by the Trust, is provided for as liability / assets in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

**d. Other Long-Term Benefit**

The liability towards encashment of the employees' long term compensated absences, which are partly en-cashable during the service period and balance at the time of retirement / separation of the employees is determined based on the actuarial valuation on projected unit credit method as at the balance sheet date. Re-measurement, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

**C. Others Accounting Policies**

1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements / information may not necessarily be same as those appearing in the respective audited financial statements for the previous year.

2. The Micro Small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006 have been taken based on the list of MSME creditors provided by the management. However, as the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.

3. Unsecured loans, advances from customers, advances recoverable in cash or in kind, investments and various other parties are subject to confirmations.

4. Cash Balance is taken as valued & certified by management and bank balances are taken as per bank reconciliation.

Notes 2.1 Property, Plant and Equipment										(Rs. in Lakhs)
Particulars	Gross Carrying Amount				Depreciation/ Amortization				Net Carrying Amount	
	As at April 01st, 2021	Addition During the Year	Disposals/ Adjustments	Balance as at 31st Mar, 2022	As at April 01st, 2021	Depreciation / amortisation expense for the year	Disposals/ Adjustments	Balance as at 31st Mar, 2022	Balance as at 31st Mar, 2022	Balance as at 31st March, 2021
<b>A. Tangible Assets</b>										
(a) Plant and Equipment	-				-					-
Owned	102.58	23.51		126.09	36.55	14.37		50.92	75.17	66.03
(b) Furniture and Fixtures	-			-	-			-	-	-
Owned	69.78	26.58	-	96.36	38.93	11.77	-	50.70	45.66	30.85
(c) Office equipment	-			-	-			-	-	-
Owned	42.73	25.98		68.71	34.16	8.35	-	42.51	26.20	8.57
(d) Computer	-			-	-			-	-	-
Owned	20.55	3.73		24.28	18.61	2.15	-	20.76	3.52	1.94
(e) Vehicles	-			-	-			-	-	-
Owned	47.63	7.68		55.31	34.56	5.20	-	39.76	15.55	13.07
<b>Total</b>	<b>283.27</b>	<b>87.48</b>	<b>-</b>	<b>370.75</b>	<b>162.81</b>	<b>41.84</b>	<b>-</b>	<b>204.65</b>	<b>166.10</b>	<b>120.46</b>
<b>B. Intangible Assets</b>										
Software	6.23	-	-	6.23	2.16	0.75		2.91	3.32	4.07
Goodwill	0.83	-	-	0.83	0.31	0.05	-	0.36	0.47	0.52
<b>Total B</b>	<b>7.06</b>	<b>-</b>	<b>-</b>	<b>7.06</b>	<b>2.47</b>	<b>0.80</b>	<b>-</b>	<b>3.27</b>	<b>3.79</b>	<b>4.59</b>
<b>Grand Total A+B</b>	<b>290.33</b>	<b>87.48</b>	<b>-</b>	<b>377.81</b>	<b>165.28</b>	<b>42.64</b>	<b>-</b>	<b>207.92</b>	<b>169.89</b>	<b>125.05</b>

Notes 2.1 Property, Plant and Equipment										
Particulars	Gross Carrying Amount				Depreciation/ Amortization				Net Carrying Amount	
	As at April 01st, 2020	Addition During the Year	Disposals/ Adjustments	Balance as at 31st March, 2021	As at April 01st, 2020	Depreciation / amortisation expense for the year	Disposals/ Adjustments	Balance as at 31st March, 2021	Balance as at 31st March, 2021	Balance as at 31st March, 2020
<b>A. Tangible Assets</b>										
(a) Plant and Equipment										
Owned	64.19	39.88	1.49	102.58	25.34	12.02	0.81	36.55	66.03	38.85
(b) Furniture and Fixtures				-				-	-	
Owned	69.35	0.43	-	69.78	28.21	10.72	-	38.93	30.85	41.14
(c) Office equipment				-				-	-	
Owned	41.50	1.23	-	42.73	28.59	5.57	-	34.16	8.57	12.90
(d) Computer				-				-	-	
Owned	19.87	0.68		20.55	17.40	1.21	-	18.61	1.94	2.48
(e) Vehicles				-				-	-	
Owned	47.63			47.63	28.54	6.02	-	34.56	13.07	19.10
<b>Total A</b>	<b>242.54</b>	<b>42.22</b>	<b>1.49</b>	<b>283.27</b>	<b>128.08</b>	<b>35.53</b>	<b>0.81</b>	<b>162.80</b>	<b>120.47</b>	<b>114.46</b>
<b>B. Intangible Assets</b>										
Software	6.23	-	-	6.23	1.38	0.78		2.16	4.07	4.85
Goodwill	0.83	-	-	0.83	0.26	0.05	-	0.31	0.52	0.58
<b>Total B</b>	<b>7.06</b>	<b>-</b>	<b>-</b>	<b>7.06</b>	<b>1.64</b>	<b>0.83</b>	<b>-</b>	<b>2.47</b>	<b>4.59</b>	<b>5.43</b>
<b>Grand Total A+B</b>	<b>249.60</b>	<b>42.22</b>	<b>1.49</b>	<b>290.33</b>	<b>129.72</b>	<b>36.37</b>	<b>0.81</b>	<b>165.27</b>	<b>125.06</b>	<b>119.89</b>

Notes 2.2 Right to Use Assets					
					(Rs. in Lakhs)
Particulars	As at April 01st, 2021	Addition During the Year	Disposals/ Adjustments	Depreciation	Balance as at 31st Mar, 2022
Building	189.24	331.61	(57.75)	(90.13)	372.97
<b>Total</b>	<b>189.24</b>	<b>331.61</b>	<b>(57.75)</b>	<b>(90.13)</b>	<b>372.97</b>
Particulars	As at April 01st, 2020	Addition During the Year	Disposals/ Adjustments	Depreciation	Balance as at 31st Mar, 2021
Building	264.33	-	-	(75.09)	189.24
<b>Total</b>	<b>264.33</b>	<b>-</b>	<b>-</b>	<b>(75.09)</b>	<b>189.24</b>

Note 2.3 Capital Work in Progress				(Rs. in Lakhs)
			As at 31 March, 2022	As at 31 March, 2021
Particulars				As at 1 April, 2021
Project 1 (Showroom)			-	0.54
<b>Total</b>			<b>-</b>	<b>0.54</b>

Note 3 Non-current investments										(Rs. in Lakhs)
Particulars		As at 31 March, 2022			As at 31 March, 2021			As at 31 March, 2020		
		Quoted	Unquoted	Total	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Investments :										
(a)	Investment in equity instruments									
	Raghav Productivity Limited	-		-	7.42	-	7.42	3.16	-	3.16
	(Equity shares face value Rs. 10 each)									
	Jash Engineering Limited	0.77	-	0.77	19.64	-	19.64	12.88	-	12.88
	(Equity shares face value Rs. 10 each)									
(b)	Investment in preference shares									
(c)	Investment in debentures or bonds									
(d)	Other investments									
	Sovering Gold Bond Scheme 2017-18	5.20	-	5.20	4.55	-	4.55	3.94		3.94
	(Interest rate @2.5% every half year ended)									
<b>Total - investments</b>		<b>5.97</b>	<b>-</b>	<b>5.97</b>	<b>31.61</b>	<b>-</b>	<b>31.61</b>	<b>19.98</b>	<b>-</b>	<b>19.98</b>
Less: Provision for diminution in value of investments										
<b>Total</b>				<b>5.97</b>			<b>31.61</b>			<b>19.98</b>
Aggregate market value of listed and quoted investments		5.97			31.61			19.98		
Aggregate value of listed but not quoted investments										
Aggregate amount of unquoted investments		-	-			-		-	-	

Note No. 4 Trade receivables (Non Current)			(Rs. in Lakhs)
Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
<b>Trade receivables (Refer Note (1) below)</b>			
Trade Receivable considered good- Secured	-	-	-
Trade Receivable considered good- UnSecured	60.0833	14.7396	0.7345
Trade Receivable which have significant increase in Credit Risk	-	-	-
Trade Receivables -Credit Impaired	-	-	-
	60.0833	14.7396	0.7345
Less: Provision for doubtful trade receivables			
	60.0833	14.7396	0.7345
<b>Total</b>	<b>60.0833</b>	<b>14.7396</b>	<b>0.7345</b>

Note 4.1: Trade receivables include debts due from:			(Rs. in Lakhs)
Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Directors *			
Other officers of the Company *			
Firms in which any director is a partner			
Private companies in which any director is a director or member			
	-	-	-

Note No. 5 Loans & Advances (Non Current)			(Rs. in Lakhs)
Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
(a) Loans:			
to Subsidiaries	-	-	-
to other body corporate	-	27.23	27.23
to employees			
<b>Total</b>	<b>-</b>	<b>27.23</b>	<b>27.23</b>

Note No. 5.1 Loans Classification			(Rs. in Lakhs)
Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Loans Receivable considered good- Secured			
Loans Receivable considered good- UnSecured	-	-	-
Loans Receivable which have significant increase in Credit Risk			
Loans Receivables -Credit Impaired			
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>



Note No. 6 Other Financial asset (Non Current)			(Rs. in Lakhs)
Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
1. Security deposits	76.84	38.89	24.94
Less: Allowance for doubtful loans			
	76.84	38.89	24.94
2. Balances with government authorities			
Unsecured, considered good	-	-	-
3. Balance with revenue authorities			
(i) Tax Deducted at Source/Advance Tax	0.33	0.30	0.57
			-
	0.33	0.30	0.57
4. Prepaid expenses- Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)			
	-	-	-
5. Bank Deposits having more than 12 Months Maturity	5.47	19.77	5.97
Less: Allowance for doubtful loans			
	5.47	19.77	5.97
6. Others (Advance recoverable in cash or Kind)			
Unsecured, considered good			
Doubtful			
Less: Provision for other doubtful loans and advances			
	-	-	-
<b>Total</b>	<b>82.64</b>	<b>58.96</b>	<b>31.49</b>

Note no. 7 Deferred tax Assets (Net)			(Rs. in Lakhs)
Component of Deferred Tax Asset	As at 31 March, 2022	As at 31 March, 2021	As at 01 April, 2020
WDV as per income tax act	217.74	156.97	151.09
WDV as per company law	151.56	125.06	119.89
<b>Difference in written down value as per Companies Act and Income Tax Act</b>	<b>66.18</b>	<b>31.91</b>	<b>31.20</b>
Opening value of Investment at fair Value	5.32	19.98	20.81
Fair Value of Investment as per IND AS	5.97	31.61	19.98
<b>Difference in value as per Companies Act and Income Tax Act</b>	<b>(0.64)</b>	<b>(11.64)</b>	<b>0.84</b>
Value of Secured borrowing as opening balance GAAP restated			
	728.00	379.86	681.41
Value of Secured borrowing as per IND AS closing balance			
	716.22	386.37	671.55
<b>Difference in value as per Companies Act and Income Tax Act</b>	<b>11.79</b>	<b>(6.51)</b>	<b>9.87</b>
Value of lease Liability as per IND AS	414.13	247.64	-
Value of lease asset as per IND AS	373.00	189.25	-
<b>Difference in lease assets and liability</b>	<b>41.13</b>	<b>58.40</b>	<b>-</b>
	118.45	72.16	41.90
Tax rate @ 25.168%	29.81	18.16	10.55
Opening balance DTA	18.16	10.54	6.76
<b>(Increase)/Decrease</b>	<b>11.65</b>	<b>7.63</b>	<b>3.78</b>

**Note No. 8 Inventories**

(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
a) Raw Material	94.25	115.84	237.17
b) Finished Goods	1,943.99	2,092.53	2,087.42
c) Stock of Consumables and packing Material	3.72	11.17	1.47
<b>Total</b>	<b>2,041.97</b>	<b>2,219.54</b>	<b>2,326.05</b>

**Note No. 8.1 Valuation of Inventories**

Raw Materials have been valued at cost

Finished Goods have been lower of cost or net realizable Value

**Note No. 9 Trade receivables**

(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
<b>Trade receivables (Refer Note (1) below)</b>			
Trade Receivable considered good- Secured	-	-	-
Trade Receivable considered good- UnSecured	1,159.05	645.40	884.01
Trade Receivable which have significant increase in Credit Risk	-	-	-
Trade Receivables -Credit Impaired	-	-	-
	1,159.05	645.40	884.01
Less: Provision for doubtful trade receivables	1,159.05	645.40	884.01
<b>Total</b>	<b>1,159.05</b>	<b>645.40</b>	<b>884.01</b>

**Note 9.1: Trade receivables include debts due from:**

(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Directors *			
Other officers of the Company *			
Firms in which any director is a partner			
Private companies in which any director is a director or member			
	-	-	-

**Note No. 10 Cash and cash equivalents**

(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
(i) Cash on hand	11.29	8.21	7.99
(ii) Balances with Banks			
(i) In current accounts	11.44	5.75	3.53
(ii) In EEFC accounts			
(iii) In deposit accounts with original maturity of less than 3 months			
(iv) In earmarked accounts (give details)			
(iii) Cheques on hand			
<b>Total</b>	<b>22.73</b>	<b>13.96</b>	<b>11.52</b>

**Note No. 11 Other Financial Asset**

(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
1.Balances with government authorities Unsecured, considered good	339.81	219.19	175.10
2. Balance with revenue authorities (i)Tax Deducted at Source/Advance Tax	339.81	219.19	175.10
3. Prepaid expenses- Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)	-	-	-
	6.85	14.08	9.71
	6.85	14.08	9.71
4. Other (Advance recoverable in cash or kind) Unsecured, considered good (Note. 11.1) Doubtful Less: Provision for other doubtful loans and advances	23.01	17.78	17.87
	23.01	17.78	17.87
<b>Total</b>	<b>369.68</b>	<b>251.05</b>	<b>202.68</b>
<b>Note. 11.1</b> Considered good Considered doubtful, provided: Loans to other body corporate Loans to related parties	21.81   1.20	17.78	17.87

**Note 9.2 Trade Receivable Agening schedule**

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					As at 31 March, 2022
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivable-considered good	1,070.83	88.22	57.31	-	0.73	1,217.09
(ii) Undisputed Trade Receivable-which have significant increase in credit risk						-
(iii) Undisputed Trade Receivable-credit impaired						-
(iv) Disputed Trade Receivable-considered good			2.04			2.04
(v) Disputed Trade Receivable-which have significant increase in credit risk						-
(vi) Disputed Trade Receivable-credit impaired						-
<b>Total</b>	<b>1,070.83</b>	<b>88.22</b>	<b>59.35</b>	<b>-</b>	<b>0.73</b>	<b>1,219.13</b>

Particulars	Outstanding for following periods from due date of payment					As at 31 March, 2021
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivable-considered good	572.35	58.31	14.01	0.73		645.40
(ii) Undisputed Trade Receivable-which have significant increase in credit risk						
(iii) Undisputed Trade Receivable-credit impaired						
(iv) Disputed Trade Receivable-considered good						
(v) Disputed Trade Receivable-which have significant increase in credit risk						
(vi) Disputed Trade Receivable-credit impaired						
<b>Total</b>	<b>572.35</b>	<b>58.31</b>	<b>14.01</b>	<b>0.73</b>	<b>-</b>	<b>645.40</b>

Note No. 12 Share capital

(Rs. in Lakhs)

Particulars	As at 31 March,2022		As at 31 March,2021		As at 1 April,2020	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
(a) Authorised Equity shares of Rs.10/- each with voting rights	1,10,00,000	1,100.00	1,10,00,000	1,100.00	1,10,00,000	1,100.00
(b) Issued Equity shares of ` Rs.10/- each with voting rights	1,00,34,000	1,003.40	1,00,34,000	1,003.40	82,33,950	823.40
(c) Subscribed and fully paid up Equity shares of Rs.10/- each with voting rights	1,00,34,000	1,003.40	1,00,34,000	1,003.40	82,33,950	823.40
	1,00,34,000	1,003.40	1,00,34,000	1,003.40	82,33,950	823.40
<b>Total</b>	<b>1,00,34,000</b>	<b>1,003.40</b>	<b>1,00,34,000</b>	<b>1,003.40</b>	<b>82,33,950</b>	<b>823.40</b>

Note (i) Reconciliation of of number of Equity Share outstanding

(Rs. in Lakhs)

Particulars	As at 31 March,2022		As at 31 March,2021		As at 31 March,2020	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
At the Beginning of the year	1,00,33,950	1,003.40	82,33,950	823.40	29,49,580	294.96
Add:Shares issued through allotment Bonus	-	-	-	-	44,24,370	442.44
Add:Shares issued through consideration other than cash	-	-	-	-	-	-
Add: Share issued through Preferential allotment	-	-	18,00,000	180.00	8,60,000	86.00
Outstanding at the end of the period	1,00,33,950	1,003.40	1,00,33,950	1,003.40	82,33,950	823.40

Note (ii) Shareholders holding more than 5% of the Equity share in the company

(Rs. in Lakhs)

Name of the Shareholders	As at 31 March,2022		As at 31 March,2021		As at 31st March,2020	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
Mr Anuj Mundra	37,22,225	372.22	37,22,225	372.22	30,22,225	302.22
Mrs Vandna Mundra	19,76,975	197.70	19,76,975	197.70	14,26,975	142.70
Maverick Share Brokers Limited	-	-	-	-	7,25,000	72.50
Mrs Sunita Devi Mundhra	11,97,250	119.73	11,97,250	119.73	6,47,250	64.73
		-		-		-
	<b>68,96,450</b>	<b>689.65</b>	<b>68,96,450</b>	<b>689.65</b>	<b>30,22,225</b>	<b>302.22</b>

Note (iii) Shareholding of Promoters

Name of Promoter	Number of shares	% of total shares	% Change during the year
Mr Anuj Mundra	37,22,225	0.37	-
Mrs Vandna Mundra	19,76,975	0.20	-
Mrs Sunita Devi Mundhra	11,97,250	0.12	-

Note (iv) Buildup of Share Capital

**A. Equity Share capital**

Financial Year	Number of Shares allotted without payment being received in cash	Number of Share allotted via Bonus	No of Shares acquired under Buyback of Shares
2020-2021	18,00,000	-	-
2019-2020	8,60,000	44,24,370	-
2018-2019	-	-	-
2017-2018	-	-	-
2016-2017	9,65,580	4,50,000	-

Note (v) Rights, preferences and restrictions attached to the equity shares

The Equity of the company having par value of Rs.10/- per share, rank pari passu in all respects including voting rights and entitlement to dividend.

Note no. 13 Other Equity					(Rs. in Lakhs)
Particulars	Reserves and Surplus				Total
	Retained Earnings	General Reserve	Securities Premium	Other Reserve	
Balance as at April 01, 2020	220.97	5.00			225.97
Add: Profit for the period	170.56	-			170.56
Add: Proceed Received from Issue of Share			126.00		126.00
Add: Remeasurement gains/(losses) on defined benefit plan	2.72				2.72
Balance as at March 31, 2021	394.25	5.00	126.00	-	525.25
Add: Profit for the period	50.16				50.16
Add: Remeasurement gains/(losses) on defined benefit plan	0.49				0.49
Balance as at March 31, 2022	444.90	5.00	126.00	-	575.90

**Note No. 14 Long-term borrowings** (Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
<b>A. Term loans</b>			
<b>Secured</b>			
<b>a. From banks</b>			
1) HDFC Bank Limited	-	-	0.23
2) Bank of India	-	28.33	-
3) Axis Bank Limited	1.01	1.97	2.63
4) Axis Bank Limited (E.C.L.G.S.)	9.59	17.44	
5) Kotak Mahindra Bank	2.07	-	
<b>b. From other financial institutions</b>			
1) SIDBI	17.48	-	-
<b>Unsecured</b>			
a. From NBFC and other financial institutions	386.48	121.74	186.53
(Refer note no. 14.2(i) for current maturity)	-	-	-
<b>Total (A)</b>	<b>416.63</b>	<b>169.48</b>	<b>189.39</b>
<b>B. Loans and advances from related parties</b>			
<b>Unsecured Loan (Refer note no. 31)</b>			
Directors and Relatives	0.73	28.82	259.89
<b>Total (B)</b>	<b>0.73</b>	<b>28.82</b>	<b>259.89</b>
<b>C. Loans and Advances From Other Parties</b>			
Others	20.00	20.00	68.84
<b>Total (C)</b>	<b>20.00</b>	<b>20.00</b>	<b>68.84</b>
<b>Total (A+B+C)</b>	<b>437.36</b>	<b>218.30</b>	<b>518.12</b>

D. Lease Liabilities (Refer note no. 14.2(ii) for current maturity)	377.96	161.54	221.60
<b>Total (A+B+C+D)</b>	<b>815.32</b>	<b>379.84</b>	<b>739.72</b>

**Notes: 14.1**

**(i) Details of Long-term borrowings guaranteed by some of the directors or others:**

(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Loans repayable on demand from banks	30.15	47.74	2.86
Loans repayable on demand from other parties	386.48	121.74	186.53
Loans and advances from related parties	0.73	28.82	259.89
Other loans and advances	20.00	20.00	68.84
<b>Total</b>	<b>437.36</b>	<b>218.30</b>	<b>518.12</b>

**Note 14.2 Additional information to Secured/Unsecured long term borrowings**

i) The long term portion of term loans are shown under long term borrowings and the current maturities of the long term borrowings are shown under the short term borrowings as per the disclosure requirements of the Division II of Schedule III.

ii) The long term portion of lease liability are shown under long term borrowings and the current maturities of the lease liability are shown under the other liabilities as per the disclosure requirements of the Division II of Schedule III.

**Note 14.3 Details of securities and Terms of repayment**

**I. Secured**

(A). Term Loans

a). From Banks

**1. HDFC Bank Limited**

Secured by hypothecation of Honda City car as specified in the schedule annexure to the loan agreement executed on 29.03.2016. The loan is repayable in 62 monthly installments comprising of first 61 installements of Rs.23,300 and last installement of Rs.2426.

**2. Bank of India**

Company has taken Loan (WCTL) from Bank Of India amounting as for Rs.38 Lakhs which is used to augment net working capital. The Loans is secured by hypothecation of entire stock. The Loans carries ROI of 7.85%. The Loans is sanctioned for 48 months and there will be moratorium of 12 months. The repayment shall commence from June 2021 in 36 monthly insttatement of Rs.1,18,816.

**3. Axis Bank Limited**

Secured by hypothecation of Maruti suzuki Baleno car as specified in the schedule annexure to the loan agreement executed on 29.12.2018. The loan is repayable in 60 monthly installments of Rs.9,297/- each. The period of maturity w.r.t balance sheet date is 24 months.

**4. Axis Bank Limited (E.C.L.G.S)**

Secured by extension of charge / security interest in relation to all assets which is currently secured to the bank for cash credit facility on a second ranking basis as specified in the schedule annexure to the loan agreement executed on 15.07.2020. The Tenure of the loan is 4 years including 12 months of moratorium and the repayment will begin post moratorium of 12 months from first disbursement. The loan is repayable in 35 monthly installments of Rs.63,800/- each and Rs. 67,000/- for 36th installement. The period of maturity w.r.t balance sheet date is 27 months.



## 5. Kotak Mahindra Bank (E.C.L.G.S)

Secured by hypothecation of Light motor vehicle as specified in the schedule annexure to the loan agreement executed on 21.10.2021. The  
b) From other financial institutions

### 1. SIDBI

Company has taken loan amount of Rs. 40.00 Lakhs (Including Fixed Deposit amount of Rs. 5.00 lakhs) from SIDBI. Secured by hypothecation of all equipment, plants, machineries, and other assets of company acquired from the assistance sanctioned by SIDBI. The loan agreement executed on 29.06.2020 and repayment shall commence from 10.01.2021 with 54 monthly installments, for 53 months amount of Rs. 74,000 and for last month is Rs. 78,000. The period of maturity w.r.t balance sheet date is 41 months.

## II. Unsecured

(A) From NBFC and other financial institutions

### 1. Aditya Birla Finance Limited

Company has taken Loan from Aditya Birla Finance Limited amounting as for Rs. 75 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 36 months. The repayment shall commence from 05.09.2021 in 36 monthly installment of Rs. 2,67,396. The period of maturity w.r.t balance sheet date is 29 months.

### 2. Ambit Finvest Private Limited

Company has taken Loan from Ambit Finvest Private Limited amounting as for Rs. 25 Lakhs which is used to augment net working capital. The Loans carries ROI of 18.00%. The Loans is sanctioned for 12 months. The repayment shall commence from 05.03.2022 in 12 monthly installment of Rs. 2,29,200. The period of maturity w.r.t balance sheet date is 11 months.

### 3. Axis Finance Limited

Company has taken Loan from Axis Finance Limited amounting as for Rs. 23.08 Lakhs which is used to augment net working capital. The Loans carries ROI of 15.65%. The Loans is sanctioned for 36 months. The repayment shall commence from 05.03.2022 in 36 monthly installment of Rs. 82,303. The period of maturity w.r.t balance sheet date is 35 months.

### 4. Clix Capital Services Private Limited

Company has taken Loan from Clix Capital Services Private Limited amounting as for Rs. 35.26 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 31 months with 4 months moratorium. The repayment shall commence from 02.01.2020 in 31 monthly installment of Rs. 171,345. The period of maturity w.r.t balance sheet date is 4 months.

### 5. Fedbank Financial Services Limited

Company has taken Loan from Fedbank Financial Services Limited amounting as for Rs. 30.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 24 months. The repayment shall commence from 02.03.2022 in 24 monthly installment of Rs. 148,327. The period of maturity w.r.t balance sheet date is 23 months.

### 6. Growth Source Financial Technologies Private Limited

Company has taken Loan from Growth Source Financial Technologies Private Limited amounting as for Rs. 38.38 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 30 months. The repayment shall commence from 05.03.2022 in 30 monthly installment of Rs. 137,356. The period of maturity w.r.t balance sheet date is 29 months.

### 7. Hero Fincorp Limited

Company has taken Loan from Hero Fincorp Limited amounting as for Rs. 20.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 30 months. The repayment shall commence from 03.01.2020 in 30 monthly installment of Rs. 98,885. The period of maturity w.r.t balance sheet date is 3 months.

#### 8. Hero Fincorp Limited

Company has taken Loan from Hero Fincorp Limited amounting as for Rs. 25.30 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 36 months. The repayment shall commence from 03.03.2022 in 36 monthly insttatement of Rs. 90,184. The period of maturity w.r.t balance sheet date is 35 months.

#### 9. ICICI Bank Limited

Company has taken Loan from ICICI Bank Limited amounting as for Rs. 50.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 16.00%. The Loans is sanctioned for 36 months. The repayment shall commence from 05.09.2021 in 36 monthly insttatement of Rs. 1,75,940. The period of maturity w.r.t balance sheet date is 29 months.

#### 10. IDFC First Bank Limited

Company has taken Loan from IDFC First Bank Limited amounting as for Rs. 35.91 Lakhs which is used to augment net working capital. The Loans carries ROI of 16.50%. The Loans is sanctioned for 40 months. The repayment shall commence from 02.01.2020 in 40 monthly insttatement of Rs. 1,23,916. The period of maturity w.r.t balance sheet date is 13 months.

#### 11. IDFC First Bank Limited

Company has taken Loan from IDFC First Bank Limited amounting as for Rs. 59.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 16.00%. The Loans is sanctioned for 36 months. The repayment shall commence from 02.03.2022 in 36 monthly insttatement of Rs. 2,07,427. The period of maturity w.r.t balance sheet date is 35 months.

#### 12. Kotak Mahindra Bank Limited

Company has taken Loan from Kotak Mahindra Bank Limited amounting as for Rs. 40.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 24 months. The repayment shall commence from 10.02.2022 in 24 monthly insttatement of Rs. 1,97,193. The period of maturity w.r.t balance sheet date is 22 months.

#### 13. Lendingkart Finance Limited

Company has taken Loan from Lendingkart Finance Limited amounting as for Rs. 50.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 15.00%. The Loans is sanctioned for 26 months. The repayment shall commence from 30.12.2019 in 26 monthly insttatement of Rs. 2,42,433. The period of maturity w.r.t balance sheet date is 3 months.

#### 14. Magma Fincorp Limited

Company has taken Loan from Magma Fincorp Limited amounting as for Rs. 60.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 29 months. The repayment shall commence from 03.01.2020 in 29 monthly insttatement of Rs. 3,98,609. The period of maturity w.r.t balance sheet date is 2 months.

#### 15. MAS Financial Services Limited

Company has taken Loan from MAS Financial Services Limited amounting as for Rs. 133.00 Lakhs including security deposits of Rs. 33.25 Lakhs. which is used to augment net working capital. The Loans carries ROI of 14.00%. The Loans is sanctioned for 36 months. The repayment shall commence from 02.03.2022 in 36 monthly insttatement of Rs. 4,54,562. The period of maturity w.r.t balance sheet date is 35 months.

#### 16. Oxyzo Financial Services Private Limited

Company has taken Loan from Oxyzo Financial Services Private Limited amounting as for Rs. 75.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 24 months. The repayment shall commence from 05.03.2022 in 24 monthly insttatement of Rs. 3,70,817. The period of maturity w.r.t balance sheet date is 23 months.

#### 17. Tata Capital Financial Services Limited

Company has taken Loan from Tata Capital Financial Services Limited amounting as for Rs. 25.00 Lakhs which is used to augment net working capital. The Loans carries ROI of 16.50%. The Loans is sanctioned for 24 months. The repayment shall commence from 05.03.2022 in 24 monthly insttatement of Rs. 1,23,006. The period of maturity w.r.t balance sheet date is 23 months.

#### 18. Tata Capital Financial Services Limited

Company has taken Loan from Tata Capital Financial Services Limited amounting as for Rs. 36.99 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 43 months with 4 months moratorium (from 05.05.2020 to 05.08.2020). The repayment shall commence from 05.02.2020 in 43 monthly insttatement of Rs. 1,25,141. The period of maturity w.r.t balance sheet date is 17 months.

#### 19. Unity Small Finance Bank Limited

Company has taken Loan from Unity Small Finance Bank Limited amounting as for Rs. 40.21 Lakhs which is used to augment net working capital. The Loans carries ROI of 18.00%. The Loans is sanctioned for 24 months. The repayment shall commence from 04.03.2022 in 24 monthly insttatement of Rs. 2,00,722. The period of maturity w.r.t balance sheet date is 23 months.

#### 20. Axis Finance Limited

Company has taken Loan from Axis Finance Limited amounting as for Rs. 30 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 36 months. The repayment shall commence from 05.09.2021 in 36 monthly insttatement of Rs. 1,06,959. The period of maturity w.r.t balance sheet date is 29 months.

#### 21. Bajaj Finance Limited

Company has taken Loan from Bajaj Finance Limited amounting as for Rs. 27 Lakhs which is used to augment net working capital. The Loans carries ROI of 17.00%. The Loans is sanctioned for 36 months. The repayment shall commence from 02.09.2021 in 36 monthly insttatement of Rs. 96,262. The period of maturity w.r.t balance sheet date is 29 months.

#### Note No. 15 Trade Payable

(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
<b>Non-Current Liabilites</b>			
<b>(I) Trade Payable</b>			
(a) Total outstanding dues of micro enterprises and small enterprises	-	0.08	0.08
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	0.77	0.26	5.70
<b>Total</b>	<b>0.77</b>	<b>0.35</b>	<b>5.78</b>

Note No. 16 Non Current Provisions		(Rs. in Lakhs)	
Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April,2020
(a) Provisions for Employee Benefits			
Provision for provident and other funds			
Provision for gratuity	18.97	10.68	12.70
Provision for ESI			
Provision for compensated absences			
(b) Others			
Service Warranties			
Statutory dues			
(i) Provision for Income tax			
(ii) Provision for Salary and Wages			
(iii) Provision for Audit Fees			
(iv) Provision for legal & professional exp			
(v) Provision for expenses			
<b>Total</b>	<b>18.97</b>	<b>10.68</b>	<b>12.70</b>

**Note (i).** The company has done actuarial valuation of gratuity fund in accordance with AS-15 and the liability has been provided in the books as per actuarial. The following table sets out the status of the Gratuity Scheme in respect of employees of the Company:

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April,2020
Projected Benefit Obligation	20.95	9.85	7.84
Funding Status	Unfunded	Unfunded	Unfunded
Fund Balance	N.A.	N.A.	N.A.
Current Liability	2.67	0.18	-
Non-Current Liability	18.28	9.67	7.84

The actuarial assumptions used in accounting for the gratuity plan were as follows:

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April,2020
<b>Demographic Assumption:</b>			
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Retirement Age	60 Years	60 Years	60 Years
Attrition Rate	5% at younger ages and reducing to 1% at older ages according to graduated scale	5% at younger ages and reducing to 1% at older ages according to graduated scale	5% at younger ages and reducing to 1% at older ages according to graduated scale
<b>Financial Assumption:</b>			
Salary Escalation Rate	7% p.a.	7% p.a.	7% p.a.
Discount Rate	6.80% p.a (Yield of Government Bond referenced on Valuation Date)	6.80% p.a (Yield of Government Bond referenced on Valuation Date)	6.80% p.a (Yield of Government Bond referenced on Valuation Date)

**Note 17 Short-term borrowings** (Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
(a) Loans repayable on demand (refer note (i) below)			
From banks			
Secured	579.30	259.72	224.87
Unsecured			
(b) Current maturities of long-term borrowing	316.84	266.77	283.36
	<b>896.15</b>	<b>526.49</b>	<b>508.24</b>

Notes:

(i) Details of security for the secured short-term borrowings:

(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
<b>Loans repayable on demand from banks:</b>			
<b>a) Bank of India CC A/c</b>		259.72	224.87
<b>Nature of Security:-</b> Secured by hypothecation of stock & debtors of the company and personnel guarantee of all the directors of the company. The loan is further secured by Government of India under CGTSME scheme. The Applicable rate of interest on CC limit is 8.60% p.a. with monthly rest.			
<b>b) Bandhan Bank CC A/c</b>	471.50		
<b>Nature of Security:-</b> Primary secured by hypothecation of stock & debtors of the company and personnel guarantee of all the directors of the company. Collateral secured by mortgage on property Flat No. 302, C -6, kamal apartment, jai singh highway, bani park, jaipur owned by Anuj Munadhra and Vandana Mundhra and Flat No. 1015, mayfair heights, kardhani, govindpura kalwar road, jaipur and further secured by shares (11,00,000 No. of shares pledged by Anuj Mundhara). The Applicable rate of interest on CC limit is 8.75% p.a. with monthly rest.			
<b>c) Axis Bank Limited CC Account</b>	107.80	92.75	122.09
<b>Nature of Security:-</b> The Cash Credit Limit is secured on HYP of all current assets of the Company and under the CGTSME Scheme. Further personal guarantee of Vandana Mundra, Anuj Mundra, Sunita Devi mundra and Dwaraka Das Mundra. The Application rate of interest on CC Limit is 11.60% p.a. (Base rate 3mmclr+3.00%)			
<b>Total - from banks</b>	<b>579.30</b>	<b>352.47</b>	<b>346.96</b>

Note no. 18 Trade Payable

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
<b>(I) Trade Payable</b>			
(a) Total outstanding dues of micro enterprises and small enterprises	474.56	388.14	614.81
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	423.79	652.88	865.30
<b>Total</b>	<b>898.34</b>	<b>1,041.02</b>	<b>1,480.11</b>
<b>Grand Total</b>	<b>898.34</b>	<b>1,041.02</b>	<b>1,480.11</b>

Note 18.1 "For the disclosure of the suppliers under the Micro, small and medium enterprises development Act, 2006 refer note no. 18.3

Note 18.2 There is no interest due or outstanding on the dues to Micro, Small and Medium Enterprises (MSME). During the years ended March 31, 2022 and March 31, 2021.

Note No. 19 Other Current Liabilities

(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
(a) Current maturities of long-term borrowing	-	-	-
(c) Investor education and protection fund	-	-	-
(d) Others	-	-	-
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Goods & Service Taxes etc.)	-	-	-
Payable towards capital expenditure	-	-	-
Payable towards services received	-	-	-
Payable towards other expenses	-	-	-
Interest accrued but not due on borrowings	-	0.18	-
<b>Total</b>	<b>-</b>	<b>0.18</b>	<b>-</b>

**Note No. 20 Other liabilities**

(Rs. in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
(a) Current maturities of finance lease obligation	36.17	62.22	42.72
(b) Revenue received in advance: Advance received from customers			
(c) Other payables			
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Goods & Service Taxes etc.)	0.95	7.33	9.04
TDS Payable	-	0.76	1.64
GST Payable	0.04	0.07	0.04
TCS Payable	-	0.15	
(ii) Payables on purchase of fixed assets			
(iii) Contractually reimbursable expenses			
(iv) Interest accrued on trade payables			
(v) Interest accrued on others			
(vi) Other payables	0.12		
(vii) Advances from customers	9.47	2.96	2.32
<b>Total</b>	<b>46.76</b>	<b>73.49</b>	<b>55.76</b>

**Note 18.3 "For the ageing schedule of Trade Payables**

(Rs. in Lakhs)

Particulars	Financial Year 2021-2022				
	payment				Total
	Less then 1 year	1-2 years	2-3 years	More then 3 years	
(i) MSME	474.56	-	-	-	474.56
(ii) Others	423.79	0.30	-	-	424.09
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	0.47	-	-	0.47
Particulars	Financial Year 2020-2021				
	Outstanding for following periods from due date of				Total
	Less then 1 year	1-2 years	2-3 years	More then 3 years	
(i) MSME	388.14	-	0.08	-	388.22
(ii) Others	651.61	-	0.26	-	651.87
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	1.27	-	-	-	1.27

**Note No. 21 Current Provisions**

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
(a) Provisions for Employee Benefits			
Provision for provident and other funds	0.10	0.08	0.07
Provision for gratuity	4.24	1.54	0.23
Provision for ESI	0.03	0.04	0.04
Provision for compensated absences			



(b) Others			
Service Warranties			
Statutory dues			
(i) Provision for Salary and Wages	19.26	11.04	11.52
(ii) Provision for Audit Fees	4.60	3.78	3.45
(iii) Provision for expenses (Electricity payable and other payables)	2.70	3.10	2.55
(iv) Provision for Legal & professional exp	-	-	0.49
<b>Total</b>	<b>30.92</b>	<b>19.58</b>	<b>18.35</b>

Note No. 22 Current Tax Liabilities (Net)			
Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Provision for Income Tax	28.27	15.23	28.84
<b>Total</b>	<b>28.27</b>	<b>15.23</b>	<b>28.84</b>

Note 23 Revenue from operations (Rs. in Lakhs)			
	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a)	Sale of products (Refer Note (i) below)	6,232.53	4,672.53
(b)	Sale of services (Refer Note (ii) below)	35.35	101.63
(c)	Other operating revenues (Refer Note (iii) below)	0.04	0.73
		6,267.92	4,774.89
(d)	Less: Excise duty		
	<b>Total</b>	<b>6,267.92</b>	<b>4,774.89</b>

(Rs. in Lakhs)			
Note	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(i)	Sale of products comprises :		
	a). Traded goods		
	Sale of products comprises :		
	a). Traded Goods		
	Fabrics	796.95	319.97
	Ladies Garments	1,262.44	1,205.51
	Masks, PPE KIT & other covid -19 equipments	-	0.98
	P.P. Non Woven Fabric	-	-
	Consumables and others	51.58	10.56
	<b>Total - Sale of traded goods</b>	<b>2,110.97</b>	<b>1,537.02</b>

	<b>b). Manufacture Goods</b>		
	Ladies Garments	4,107.28	3,029.67
	Masks, PPE KIT & other covid -19 equipments	-	104.11
	Scrap	14.28	1.73
	<b>Total - Sales of Manufactured Goods</b>	<b>4,121.56</b>	<b>3,135.51</b>
	<b>Total - Sale of traded and manufactured goods</b>	<b>6,232.53</b>	<b>4,672.53</b>
(ii)	<b>Sale of services comprises :</b>		
	Sale of services comprises	-	0.59
	Job Work	35.35	101.04
	<b>Total - Sale of services</b>	<b>35.35</b>	<b>101.63</b>
(iii)	<b>Other operating revenues comprise:</b>		
	Refund of Duties		
	Discount received		
	Other Miscellaneous Income	-	0.01
	Sale of Consumables items	0.04	0.72
	<b>Total - Other operating revenues</b>	<b>0.04</b>	<b>0.73</b>

**Note 24 Other income**

(Rs. in Lakhs)

	Particulars	For the year ended 31st March, 2022	For the year ended 31 March, 2021
(a)	Interest income (Refer Note (i) below)	1.22	1.41
(b)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	65.39	44.58
	<b>Total</b>	<b>66.61</b>	<b>45.99</b>

(Rs. in Lakhs)

Note	Particulars	For the year ended 31st March, 2022	For the year ended 31 March, 2021
(i)	Interest income comprises:		
	a. Financial assets mandatorily measured at fair value through profit or loss	-	-
	— Interest from banks on:		
	FD/BG	1.22	1.41
	Interest on loans and advances	-	-
	b. Interest income on financial assets fair valued through other comprehensive income	-	-
	— Non-convertible debentures		
	c. Financial assets carried at amortised cost		
	— Tax free bonds and government bonds		
	— Deposits with banks and others		
	<b>Total - Interest income</b>	<b>1.22</b>	<b>1.41</b>

(Rs. in Lakhs)

Note	Particulars	For the year ended 31st March, 2022	For the year ended 31 March, 2021
(ii)	<b>Other non-operating income comprises:</b>		
	Postage & Courier	9.32	13.35
	Other non-operating income comprises:	4.24	0.16
	Inspection Income	-	24.46
	Notional income on disposal of lease	15.18	-
	Miscellaneous credit written back	-	0.03
	Rental Income	15.75	-
	Commission Income	-	4.20
	Profit on sale of fixed assets	-	0.57
	Dividend Income	0.02	0.08
	Profit on sale of Shares	20.88	1.73
	<b>Total - Other non-operating income</b>	<b>65.39</b>	<b>44.58</b>

**Note 25 Cost of material Consumed**

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2022	For the year ended 31 March, 2021
Opening Stock	115.84	237.17
Purchases	338.74	250.22
Total	454.58	487.39
Less: Sold During the year closing Stock	94.25	221.45
<b>Cost of Material consumed</b>	<b>360.33</b>	<b>115.84</b>
<b>Cost of Material consumed</b>	<b>360.33</b>	<b>150.10</b>
Material Consumed Comprises		
Fabric	39.39	192.08
Running Fabric	320.94	(82.94)
Legging Fabric	-	0.10
PPE Non Woven Fabric	-	40.86
<b>Total</b>	<b>360.33</b>	<b>150.10</b>

**Note 26 Purchase of traded goods**

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2022	For the year ended 31 March, 2021
<b>Traded goods</b>	-	-
Fabrics	90.71	130.62
Garments	602.73	568.70
PPE KIT Material, Mask and N95 Mask	-	19.44
Other Miscellaneous item	18.31	3.00
Gray Fabric	757.50	38.11
Running Cotton	904.44	931.25
N95Mask With Respirators	-	0.13
P.P. Non Woven Fabric	-	2.16
<b>Total</b>	<b>2,373.69</b>	<b>1,693.41</b>

**Note 27 Changes in inventories of finished goods, work-in-progress and stock-in-trade**

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2022	For the year ended 31 March, 2021
<b><u>Inventories at the end of the year:</u></b>		
<b>A. Inventories at the end of the year: ( As verified and certified by the management)</b>	-	-
Fabric	477.71	589.04
Stock of Finished Goods	1,466.27	1,503.49
<b>Total A</b>	<b>1,943.98</b>	<b>2,092.53</b>
<b>B. Inventories at the beginning of the year:</b>	-	-
Fabric	589.04	263.27
Stock of Finished Goods	1,503.49	1,824.15
<b>Total B</b>	<b>2,092.53</b>	<b>2,087.42</b>
<b>Net (increase) / decrease</b>	<b>148.55</b>	<b>(5.11)</b>

**Note 28 Employee benefits expense**

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2022	For the year ended 31 March, 2021
Salary to Employees	157.24	108.04
Contribution to ESI and Provident Fund	6.16	3.86
Directors Remuneration	55.74	51.24
Gratuity Expenses	11.46	2.01
Wages to Labours	8.64	37.66
Bonus	0.07	
<b>Total</b>	<b>239.31</b>	<b>202.81</b>

**Note 29 Finance costs**

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2022	For the year ended 31 March, 2021
<b>Interest and finance charges on financial liabilities carried at amortised cost</b>		
(a) Interest expense on:	-	-
(i) Borrowings	104.28	140.44
(ii) Trade payables	-	-
(iii) Others (leased Assets)	30.58	26.70
Less : Amount Capitalised	-	-
Total Interest on financial liabilities carried at amortised cost	-	-
(b) Other borrowing costs	8.82	1.65
Loan Processing Fees	3.75	2.96
Bank Charges	6.18	4.11
	-	-
<b>Total Finance Cost</b>	<b>153.61</b>	<b>175.86</b>

Note 30 Other expenses

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2022	For the year ended 31 March, 2021
<b>(A) Direct Exps.</b>		
Consumables	47.46	19.40
Consumption of Spare and Store Parts	48.17	26.35
Job Work & Stiching Charges	781.59	491.03
Desiging charges	24.80	-
Kurti Stickers	3.40	7.56
Factory Rent	-	1.80
Wash and Dry Cleaning Charges	0.27	0.29
Freight Expenses	14.61	9.36
Packing Material	16.42	10.82
Power & Fuel	27.50	16.89
Discount on online Sale	0.02	60.00
Wages	163.74	99.00
<b>Total</b>	<b>1,127.98</b>	<b>742.49</b>
<b>(B) Indirect Exps</b>		
Business Promotion	14.80	8.22
Conveyance Expenses	1.02	0.15
Advertisement	199.61	146.83
Commission & Brokerage	919.78	1,110.45
Donation	0.24	0.24
Frenchise Commission	20.83	-
Legal and Professional Exp.	30.61	11.56
Membership & Subscription	1.58	0.39
Miscellaneous expenses *	5.49	1.98
Main Board and NSE Listing Fees	0.18	0.13
Office Expenses	4.83	2.23
Rent Expenses	5.30	9.20
Penalty & Interest	3.77	3.59
Interest on GST	0.56	-
Payments to auditors (Refer Note (i) below)	6.34	4.76
Photo Shoot Exp.	12.77	9.96
Postage and Courier Expenses	19.70	15.15
Printing and Stationery Expenses	9.04	2.33
Repair & Maintenance	19.31	11.45
Prior Period Expenses	0.88	0.32
Security Guard Expenses	2.36	5.20
Sweeper and Cleaning charges	6.06	4.14
Shipping and handling Charges	398.67	61.92
Amazon disposal	-	74.41
Staff & Labour Welfare expenses	6.50	2.69
Travelling Expenses	6.16	2.71
Website Charges	0.60	2.97
Payment Gateway Charges	2.19	2.04
Insurance Exp	4.61	6.88
Software Exp	9.13	4.02
Telephone and Mobile Expenses	3.66	3.46
Lab Testing	0.12	2.41
GST reversed / Surrendered	3.88	7.44
Tendor Fees	0.26	1.05
Technical Support Charges	4.92	7.12
Balance W/off	4.01	0.02
<b>Total</b>	<b>1,729.75</b>	<b>1,527.42</b>
<b>169 Grand Total</b>	<b>2,857.73</b>	<b>2,269.92</b>

Notes:30.1

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2022	For the year ended 31 March, 2021
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - Statutory and Tax audit	4.60	3.33
As auditors - Gst Audit	-	0.15
As auditors - Internal Audit	1.09	0.12
As auditors - Secretarial Audit	0.40	0.66
Other Report - Scrutinizer Report	0.25	0.50
Total	6.34	4.76

Note 30.2 Exceptional items

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2022	For the year ended 31 March, 2021
Jaipur Club Membership	-	4.60
Preliminary Expenses W/o	-	0.40
Total		5.00

Note 30.3 Corporate Social Responsibility (CSR)

The Company has not been required to constitute CSR committee and to make expenses towards CSR activities as per the requirements of Section 135 of the Companies Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

Note 30.4 Crypto Currency or Virtual Currency

The Company has not been traded or invested in Crypto Currency and Virtual Currency during the financial year.

Note 31 Additional information to the financial statements

Note	Particulars		
31.1	The Division II of Schedule III has used for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.		
31.2	<b>Contingent liabilities and commitments (to the extent not provided for)</b>		
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
(i)	<b>Contingent liabilities</b>		
	a) Claims against the Company not acknowledged as debt	-	-
	1. The Income Tax Department has raised demands for FY 2021-22 in regards to tax deducted at source for non compliances to the provision of the act that has been verified from TRACES.	9,819	-
	2. The Income Tax Department has raised demands for FY 2019-20 in regards to mismatch between tds claimed by taxpayer and computed u/s 143(1) that has been verified from intimation u/s 143(1) order date 09/12/2021.	7,620	



(ii)	b). Guarantees excluding financial guarantees 1. The Company has been provided corporate guarantee for cash credit loan from Axis Bank limited for its subsidiaries i.e. Desi Fusion India Private Limited Amount of Rs. 120 lakhs	-	-
	c). Others money for which the company is contingently liable	-	-
	<b>Commitments</b>		
	a). Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
	b). Uncalled liability on shares and other investments partly paid	-	-
	c). Other commitments	-	-
	Total (i+ii)	-	-
31.3	<b>Title Deeds of Immovable Properties</b> There is no immovable property title held by the company as on balance sheet date.		
31.4	<b>Revaluation of the Property, Plant and Equipments</b> The company has remeasured its right to use of assets as per IND AS 116 requirements and gain & loss arises due to remeasurement are transferred to profit and loss account.		
31.5	Disclosures of Loans & Advances granted to Promoters, directors, KMPs and the related parties The company has granted loans and advances in the nature of loans to related parties which are repayable on demand or without specifying any terms or period of repayment		
	Type of Promoter	Amount of loan or advance in the nature of loan outstanding	% to the total Loans and advances in the nature of loans
	Promoters		
	Directors		
	KMPs		
	Related Parties		
	Total		
31.6	<b>Capital Work in Progress (CWIP)</b> Refer note 2.3		
31.7	<b>Disclosures of Benami Properties held</b> There is no proceedings have been initiated or pending against the company for holding any benami property under the benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder		
31.8	<b>Disclosures of Wilful Defaulter</b> The company has not been declared wilful defaulter by any bank or financial institution		

31.9	<b>Relationship with struck off Companies</b> The company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
31.10	<b>Registration of Charges or Satisfaction with Registrar of Companies</b> There are no charges or satisfaction which are yet to be registered with Registrar of Companies
31.11	<b>Layers of the company</b> The company has subsidiary company i.e. Desi Fusion India Private Limited as at the balance sheet date
31.12	<b>Dividends</b> The company has not been proposed any dividends as at balancesheet date.
31.13	<b>Issue of securities for a specific purpose</b> The company has not been issued any securities for specified purposes as at balancesheet date.
31.14	<b>Borrowings from banks and financial institutions for specific purpose</b> The company has been used all his borrowings for that purposes, which have been mentioned in their sanctioned letter.
31.15	<b>Compliance with approved schemes of arrangements</b> There is no scheme approved by competent authority as at balancesheet date.

31.16	<b>Utilisation of borrowed funds and share premium</b> 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 or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding (whether recorded in writing or otherwise) that the intermediary. no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.		
31.17	<b>Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>		
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	(i) Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	NIL	NIL
	(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	NIL	NIL
	(iii) The amount of interest due and payable for the period of delay in making payment(which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL
	(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL
	(vi) the amount of further interest remaining due and payable even in the succeeding years, untill such date when the interest dues above are actively paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and medium enterprises Development Act, 2006	NIL	NIL
	Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		
31.18	<b>Value of imports calculated on CIF basis :</b>		
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	Raw materials	-	-
	Components & Spares Parts	-	-
	Capital Goods	-	-
	Grand Total	-	-
31.19	<b>Expenditure in foreign currency</b>		
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	Royalty	-	-
	Know-how	-	-
	Professional and consultation fees	-	-
	Other matters	-	-
	Non Convertible Debenture review fees	-	-
	Advertisement Expense	-	-

31.20	<b>Details of consumption of imported and indigenous items *</b>		
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	<u>Imported</u>		
	Raw materials	-	-
	Components	-	-
	Spare parts	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>
	<u>Indigenous</u>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	Raw materials	94	116
	Components	-	-
	Spare parts	-	-
	<b>Total</b>	<b>94</b>	<b>116</b>
		<b>94</b>	<b>116</b>
Details of consumption of imported and indigenous items for the current year is provided by management.			
31.21	<b>Earnings in foreign exchange :</b>		
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	Export of goods calculated on FOB basis		
	Royalty, know-how, professional and consultation fees		
	Interest and dividend		
	Other income, indicating the nature thereof.		
31.22	<b>Amounts remitted in foreign currency during the year on account of dividend</b>		
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	Amount of dividend remitted in foreign currency		
	Total number of non-resident shareholders (to whom the dividends were remitted in foreign		
	Total number of shares held by them on which dividend was due		
	Year to which the dividend relates		
31.23	<b>Earnings Per Share</b>		
	<b>Particulars</b>	<b>As at 31 March, 2022</b>	<b>As at 31 March, 2021</b>
	<u>Basic &amp; Diluted</u>		
	Net profit / (loss) for the year attributable to the equity shareholders	50,16,038.77	170.56
	Weighted average number of equity shares	1,00,34,000.00	82.78
	Par value per share		
	Earnings per share - Basic & diluted	0.50	2.06

Note 31 Disclosures under Accounting Standards (contd.)

Note	Particulars	
31.25	<b>Related party transactions</b>	
31.25a	<b>Details of related parties:</b>	
	<b>Description of relationship</b>	<b>Names of related parties</b>
	Key Management Personnel (KMP)	Mr. Anuj Mundra, Mrs Vandna Mundra and Mrs Sunita Devi Mundhra, Dwarka Das Mundra and Gunjan Jain
	Relatives of KMP	-
	Company in which KMP / Relatives of KMP can exercise significant influence	Desi Fusion India Private Limited
	Note: Related parties have been identified by the Management.	
	Details of related party transactions during the year ended 31 March, 2022 and balances outstanding as at 31 March, 2022:	

31.25b		KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
	Purchase of goods			16,69,50,768	16,69,50,768
	Receiving of services			35,19,633	35,19,633
	Sale of Goods			24,00,000	24,00,000
	Maintainnce Charges Paid				-
	Transfer of research and development				-
	Renumeration to Directors	52,47,000			52,47,000
	Rent Paid	20		-	20
	Interest Paid	-			-
	Interest Received	-		1,52,973	1,52,973
	Finance (including loans and equity contributions in cash or in kind)	-		-	-
	Salary Paid	8,42,000			8,42,000
	Management contracts including for deputation of employees				
	Provision for doubtful receivables, loans and advances				
	Write off / write back made during the year				
	<u>Balances outstanding at the end of the year</u>				
	Trade receivables				-
	Loans and advances	50,000		1,26,50,826	1,27,00,826
	Trade payables				-
	Borrowings	-		-	-
	Salary Payable	58,300			58,300

<b>Note. 31.26 First time adoption of Ind AS (IND AS 101)</b>							
<b>a. Basis of Preparation</b>							
The accounting policies set out in Note 2 have been applied in preparing financial statements for the year ended March 31, 2022, the comparative information presented in these financial statements for the year ended March 31, 2021 and in preparation of an opening Ind AS balance sheet at April 1, 2020 (the Company's date of transition). In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.							
<b>1. Exemptions and exceptions availed</b>							
Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.							
<b>Ind AS optional exemptions</b>							
<b>a) Deemed cost</b>							
Ind AS 101 permits a first-time adopter to elect to continue with the carrying value of all its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Asset. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.							
<b>Ind AS mandatory exceptions</b>							
<b>b) Estimates</b>							
An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2020 are consistent with the estimates as at the same date made in conformity with previous GAAP.							
<b>c) Derecognition of financial assets and financial liabilities</b>							
Ind AS 101 required a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements from a date of entity's choosing, provided the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for these transactions.							
The Company has elected to apply the de-recognition provisions of Ind AS 109 retrospectively from the date of transition to Ind AS.							
<b>d) Classification and measurement of financial assets</b>							
Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.							
Accordingly, the Company has determined the classification of financial assets based on the facts and circumstances that existed on the date of transition to Ind AS							
<b>2. Reconciliation between previous GAAP and Ind AS</b>							
The following reconciliations provide the explanation and qualification of the differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards.							
a) Reconciliation of Balance Sheet As at April 01, 2020 and March 31, 2021							
b) Reconciliation of Total Comprehensive Income for the year ended March 31, 2021							

Note 31: Related Party Transaction

(Rs. in Lakhs)									
Name of Party	Nature of Relation	Nature of Transaction	O/s as on 31.03.2022  Payable / (Receivable)	Transaction debited in 01-04-2021 to 31-03-2022	Transaction credited in 01-04-2021 to 31-03-2022	O/s as on 31.03.2021  Payable / (Receivable)	Transaction debited in 01-04-2020 to 31-03-2021	Transaction credited in 01-04-2020 to 31-03-2021	O/s as on 31.03.2020  Payable / (Receivable)
Anuj Mundhra	Managing Director	Unsecured Loan	(0.13)	213.82	202.19	11.50	176.14	67.43	120.22
		Director Remuneration	-	32.67	32.67	-	27.00	27.00	-
		Rent	-	-	-	-	6.90	6.90	-
Vandana Mundhra	Whole Time Director	Unsecured Loan	-	25.93	19.03	6.90	139.04	87.82	58.12
		Director Remuneration	-	11.88	11.88	-	13.17	13.17	-
		Security Deposits	(0.50)	-	-	(0.50)	-	-	(0.50)
Sunita Mundhra	Whole Time Director	Unsecured Loan	0.73	49.99	42.16	8.56	123.31	97.57	34.21
		Director Remuneration	0.22	10.34	10.56	-	9.84	9.84	-
Dwarka Das Mundhra	Chief Financial officer	Salary	-	3.60	3.60	-	3.87	3.87	-
		Director Remuneration	-	3.60	3.60	-	3.60	3.60	-
		Unsecured Loan	(1.08)	6.57	3.65	1.86	81.06	35.56	47.35
Gunjan Jain	Compliance Officer	Salary	0.36	5.01	4.97	0.40	3.48	3.60	0.28
Good Work and Company	Proprietorship of Director relative	Sales (Incl. GST)/ Purchase (Incl. GST)*	(20.15)	51.30	56.98	(25.83)	44.33	18.50	-
Victoria Trading Company	Proprietorship of Director relative	Sales (Incl. GST)/ Purchase (Incl. GST)*	-	26.90	26.90	-	17.47	17.47	-



\*Sales and purchase details are as under

Name of Party	Sales and purchase	2021	2020
Good Work and Company	Sales (Incl. GST)	-	27.33
	Purchase (Incl. GST)	56.98	-
Victoria Trading Company	Purchase (Incl. GST)	25.26	17.47



**Note 32. Contingent liabilities and commitments (to the extent not provided for)**

1.

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Contingent liabilities</b>		
<b>a) Claims against the Company not acknowledged as debt</b>	-	-
1. The Income Tax Department has raised demands for FY 2021-22 in regard to tax deducted at source for non-compliances to the provision of the act that has been verified from TRACES.	0.10	-
2. The Income Tax Department has raised demands for FY 2019-20 in regard to mismatch between TDS claimed by taxpayer and computed u/s 143(1) that has been verified from intimation u/s 143(1) order date 09/12/2021.	0.08	
<b>b). Guarantees excluding financial guarantees</b>	120.00	-
1. The Company has been provided corporate guarantee for cash credit loan from Axis Bank limited for its subsidiaries i.e. Desi Fusion India Private Limited Amount of Rs. 120 lakhs	4.	
2. <a href="#">2. The Company has been provided bank guarantee to Puducherry Health and Family Welfare Services Department from Bank of India for EPBG.</a>	5. 0.30	
3. <a href="#">3. The Company has been provided bank guarantee to ESIC PGIMS Medical Collage &amp; Model Hospital from Bank of India for EPBG.</a>	6. 0.25	
<b>c). Others money for which the company is contingently liable</b>	-	-
<b>Commitments</b>		
<b>a). Estimated amount of contracts remaining to be executed on capital account and not provided for</b>	-	-
<b>b). Uncalled liability on shares and other investments partly paid</b>	-	-
<b>c). Other commitments</b>	-	-

1. Note 33. Additional Regulatory Information as per Schedule II of The Companies Act,2013

2. The company does not own any immovable property

3. The Company does not have any investment property; hence company has not required to disclose whether investment property is valued at fair value is based on the valuation by a Registered valuer as defined rule 2 of the companies (Registered Valuers and Valuation) Rules 2017.

4. The Company has not revalued its Property, Plant and Equipment (including Right of use Assets), hence the company has not required to disclose whether the valuation is based on the valuation by a registered valuer as defined under rule 2 of the company (Registered Valuers and Valuation) Rules 2017.

5. The Company has not revalued its Intangible Assets; hence the company has not required to disclose whether the valuation is based on the valuation by a registered valuer as defined under rule 2 of the company (Registered Valuers and Valuation) Rules 2017.
6. The disclosure of the Loans and Advances in the nature of the loans granted to promoters, directors, KMPs and the related parties (as defined in Companies Act, 2013) either severally or jointly with any other persons that are
  - a) Repayable on demand or
  - b) Without specifying any terms or period of repayments.

Type of Borrowers	Amount of loans and advances in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans.
Promoters	NIL	NIL
Directors	NIL	NIL
KMP's	NIL	NIL
Related Parties	NIL	NIL

**7. Capital Work in Progress**

Particulars	Amount in Capital Work in Progress for the year ended as at 31 March, 2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1 (Showroom) in progress	0.54	-	-	-	0.54

**8. There are no intangible assets under development as at Balance Sheet date.**

**9. Benami Property**

No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules thereunder

**10. Returns and filing to Banks and financial institutions**

The company has availed borrowings from banks and financial institutions on the basis of the security of its current assets. The quarterly returns and statements filed with them are in agreements with the books of accounts

**11. Wilful Defaulters**

The company is not declared as wilful defaulter by any bank or financial institutions or other lender

**12. Relationship with struck off companies**

The company has not entered into any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

**13. Registration or satisfaction of charges with Registrar of Companies**

There are no charges or satisfaction which are yet to be registered with Registrar of Companies beyond the statutory period.

**14. Layers of the company**

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, The company have a subsidiary company i.e. Desi Fusion India Private Limited as at the balance sheet date.

**15. Corporate Social Responsibility (CSR)**

The Company has not been required to constitute CSR committee and to make expenses towards CSR activities as per the requirements of Section 135 of the Companies Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

**16. Crypto Currency or Virtual Currency**

The Company has not been traded or invested in Crypto Currency and Virtual Currency during the financial year.

**17. Financial Ratios**

**a) Current ratio (Current Assets / Current Liabilities)**

Particulars	FY 2021-22	FY 2020-21
Current Assets	3593.43	3129.96
Current Liabilities <sup>(1)</sup>	1900.44	1675.99
Current ratio	<b>1.8908</b>	<b>1.8675</b>
% Change	1.25%	

Reasons for variation more than 25% - **No variation**

<sup>(1)</sup> Current Liabilities include short term borrowings availed by the Company and current maturities of long-term loans (including current maturities of lease liabilities).

**b) Debt-Equity Ratio (Debt / Equity)**

Particulars	FY 2021-22	FY 2020-21
Debt <sup>(2)</sup>	1747.64	968.55
Net worth	1579.30	1528.65
Debt-Equity Ratio	<b>1.1066</b>	<b>0.6336</b>
% Change	74.65%	

Reasons for variation more than 25% - **Due to increase in long term borrowings and lease liabilities in FY 2021-22 as compared to previous year.**

<sup>(2)</sup> Debt includes long term borrowings, secured and unsecured, short-term borrowings availed by the Company and current maturities of long-term loans (including current maturities of lease liabilities).

**c) Debt-Service Coverage Ratio (Profit Before Tax + Depreciation + Interest on term loans / Total Loan instalments)**

Particulars	FY 2021-22	FY 2020-21
PBT + Dep + Interest	355.45	518.15
Loan Installments	334.29	264.86
Debt Service Coverage Ratio	<b>1.0633</b>	<b>1.9563</b>
% Change	(45.65%)	

Reasons for variation more than 25% - **Due to profits before tax decreases in FY 2021-22 as compared to previous year.**

**d) Return on Equity Ratio (PAT / Net Worth)**

Particulars	FY 2021-22	FY 2020-21
PAT	50.16	170.56
Net worth	1579.30	1528.65
Return on Equity Ratio	<b>0.0318</b>	<b>0.1116</b>
% Change	(71.51%)	

Reasons for variation more than 25% - Due to profits after Tax decreases in FY 2021-22 as compared to previous year.

e) Inventory Turnover Ratio (Turnover / Inventory)

Particulars	FY 2021-22	FY 2020-21
Turnover	6267.92	4774.89
Inventory	2041.97	2219.54
Inventory Turnover Ratio	<b>3.0695</b>	<b>2.1513</b>
% Change	42.68%	

Reasons for variation more than 25% - Due to turnover has been increased in FY 2021-22 as compared to previous year.

f) Trade Receivables Turnover Ratio (Turnover / Trade Receivables)

Particulars	FY 2021-22	FY 2020-21
Turnover	6267.92	4774.89
Trade Receivables	1219.13	660.14
Trade Receivables Turnover Ratio	<b>5.1413</b>	<b>7.2331</b>
% Change	(28.92%)	

Reasons for variation more than 25% - Due to turnover has been increased in FY 2021-22 as compared to previous year.

g) Trade Payables Turnover Ratio (Purchases / Trade payables)

Particulars	FY 2021-22	FY 2020-21
Purchases	2712.43	1943.63
Trade Payables	899.12	1041.37
Trade Payables Turnover Ratio	<b>3.017</b>	<b>1.8664</b>
% change	61.65%	

Reasons for variation more than 25% - Due to purchase increase in FY 2021-22 as compared to previous year

h) Net Capital Turnover Ratio (Turnover / Net worth)

Particulars	FY 2021-22	FY 2020-21
Turnover	6267.92	4774.89
Net worth	1579.30	1528.65
Net Capital Turnover Ratio	<b>3.9688</b>	<b>3.1236</b>
% Change	27.06%	

Reasons for variation more than 25% - Due to turnover has been increased in FY 2021-22 as compared to previous year.

i) Net Profit Ratio (PAT / Sales)

Particulars	FY 2021-22	FY 2020-21
PAT	50.16	170.56
Sales	6267.92	4774.89
Net Profit Ratio	<b>0.0082</b>	<b>0.0357</b>
% change	(77.03%)	

Reasons for variation more than 25% - Due to profits after Tax decreases in FY 2021-22 as compared to previous year.

j) Return on Capital Employed (Earnings before Interest and Tax / Capital Employed)

Particulars	FY 2021-22	FY 2020-21
EBIT	222.15	393.29
Capital employed <sup>(3)</sup>	2747.64	2237.48
Return on capital employed	0.0809	0.1758
% Change	(53.98%)	

Reasons for variation more than 25% - Due to EBIT decreases in FY 2021-22 as compared to previous year



<sup>(3)</sup> Capital employed includes Net worth and long-term borrowings, secured and unsecured (including current maturities).

**k) Return on Investments (Profit After Tax / Net worth)**

Particulars	FY 2021-22	FY 2020-21
<b>PAT</b>	50.16	170.56
<b>Networth</b>	1579.30	1528.65
<b>Return on Investment</b>	0.0318	0.1116
<b>% Change</b>	(71.51%)	

Reasons for variation more than 25% - **Due to PAT decreases in FY 2021-22 as compared to previous year**

**1. Compliance with approved schemes of arrangements**

There is no scheme approved by competent authority as at balance sheet date.

**2. Utilisation of Borrowed Funds and Share Premium**

The company has not advanced or loaned or invested funds to any other persons or entities with the understanding that, that person/entity should invest in any other person or entity identified in any manner whatsoever by or on behalf of the company or provided any guarantee, security, or like to or on behalf of the company.

The company has not received any amount from any other persons/entity with the understanding, whether written or oral, that the company shall directly or indirectly invest in any other person or entity.

19. Additional disclosure for consolidated financial statements.

(i). Holding company and Subsidiary Company Allocation

Name	Net Assets I.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of total comprehensive income	Amount
Nandani Creation Limited (Parent)	91.29%	1487.38	20.53%	10.22	123.08%	0.48	21.33%	10.70
Desi Fusion Private Limited (Subsidiary)	8.71%	141.93	79.47%	39.56	(23.08)%	(0.09)	78.67%	39.47



**Nandani**  
Creation Ltd

**NOTICE OF THE**  
ANNUAL GENERAL MEETING  
2021-2022



NOTICE OF 10<sup>th</sup> ANNUAL GENERAL MEETING

**NOTICE** IS HEREBY GIVEN THAT THE **10<sup>TH</sup> ANNUAL GENERAL MEETING ('AGM')** OF THE MEMBERS OF **NANDANI CREATION LIMITED** WILL BE HELD ON **FRIDAY, 30<sup>TH</sup> DAY OF SEPTEMBER, 2022 AT 3:00 P.M. IST** THROUGH VIDEO CONFERENCE (VC)/OTHER AUDIO-VISUAL MEANS (AOVM) TO TRANSACT THE FOLLOWING BUSINESS AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTIONS. THE VENUE OF THE MEETING SHALL BE DEEMED TO BE THE REGISTERED OFFICE OF THE COMPANY AT G-13, KARTARPURA INDUSTRIAL AREA, NEAR 22 GODAM, JAIPUR-302006, RAJASTHAN. THIS NOTICE OF MEETING IS GIVEN PURSUANT TO SECTION 101 OF THE COMPANIES ACT, 2013 (INCLUDING ANY STATUTORY MODIFICATION(S) OR RE-ENACTMENT(S) THEREOF FOR THE TIME BEING IN FORCE) AND THE RULES MADE THEREUNDER (THE "Companies Act, 2013") IN ACCORDANCE WITH THE ARTICLES OF ASSOCIATION OF THE COMPANY: -

ORDINARY BUSINESS:

1. To Receive, Consider and Adopt
  - a. the Audited Standalone Financial Statements of the Company for the Financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon.
  - b. the Audited Consolidated Financial Statements of the Company for the Financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon.
2. To Appoint a director in place of Mrs. Vandana Mundhra (DIN: 0520250)3, who retires by rotation and being eligible offers himself for re appointment;

SPECIAL BUSINESS:3. AUTHORIZATION UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

To consider and if thought fit, to pass with or without modification, the following Resolution as Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, and in supersession of all the earlier resolutions passed in this regard, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) to:

- (a) Make investment and acquire by way of subscription, purchase or otherwise, securities of any other body corporate(s)
- (b) Give loan to any person(s) or other body corporate(s)
- (c) Give any guarantee or provide security in connection with a loan to any other person(s) or other body corporate(s),

from time to time in one or more tranches as the Board may deem fit in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 200 Crores (Rupees Two Hundred Crores Only), over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Act."

**4. INCREASE IN LIMITS OF PROVIDING SECURITY U/S 180(1)(A) OF THE COMPANIES ACT, 2013 IN CONNECTION WITH THE BORROWING OF THE COMPANY:**

To consider and if thought fit, to pass with or without modification, the following Resolution as Special Resolution:

**“RESOLVED THAT** pursuant to the provision of section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, and in supersession of all the earlier resolutions passed in this regard consent of the Members of the Company be and is hereby accorded to the Board of Directors to sell, lease, create mortgage or create charge or otherwise dispose of the immovable/ movable property(ies) or whole or substantially the whole of the undertaking(s) of the Company on such terms and conditions as the board may deem beneficial in the best interest of the Company including creation of charge or mortgage on the immovable/ movable properties of the Company in favour of Banks or Financials Institution or other lending institution upto the maximum limit of Rs. 200 Crores (Rupees Two Hundred Crores Only) for the purpose of securing the amount borrowed together with the interest payable by the Company in respect of such borrowing.”

**5. INCREASE IN LIMITS OF PROVIDING SECURITY U/S 180(1)(C) OF THE COMPANIES ACT, 2013 IN CONNECTION WITH THE BORROWING OF THE COMPANY:**

To consider and if thought fit, to pass, the following Resolution as Special Resolution:

**RESOLVED THAT** pursuant to the Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 consent of the members of the Company be and is hereby accorded in terms of to the Board of Directors of the Company (hereinafter referred to as “the board” which expression shall be deemed to include any committee constituted by the Board) to borrow any sum or sums of monies from time to time from banks, financial institutions, bodies corporate, firms or such other persons whether in India or abroad and by issue of convertible/non-convertible securities (including fully/partly convertible debentures and/or non-convertible debentures or other debt instruments) or otherwise as it may deem fit, at its discretion, any sum or sums of monies which, together with the monies already borrowed by the Company, whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge on the Company’s assets, properties, whether immovable or movable or stock-in-trade (including raw materials, stores, spare parts and components in stock or in transit) and work-in-progress and all or any of the undertaking of the Company, notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company, apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business, will or may exceed the aggregate of the paid-up share capital of the Company and its free reserves, so that the aggregate amount borrowed by the Board of Directors and outstanding at any point in time shall not exceed the sum of Rs. 200 Crores (Rupees Two Hundred Crores Only).”

<b>DATE: 01.09.2022</b> <b>PLACE: JAIPUR</b>	<p style="text-align: right;"><b>By the Order of the Board</b>  <b>For NANDANI CREATION LIMITED</b>  <b>Sd/-</b>  <b>GUNJAN JAIN</b>  <b>(COMPANY SECRETARY &amp; COMPLIANCE OFFICER)</b>  <b>(M No.: 45068)</b></p>
<p style="text-align: center;"><b>Registered Office:</b>  <b>G-13, KARTARPURA INDUSTRIAL AREA,</b>  <b>NEAR 22-GODAM, JAIPUR-302006, RAJASTHAN</b>  <b>CIN: L18101RJ2012PLC037976</b></p>	

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Act relating to Item no. 3-5 of the Notice of the 10<sup>th</sup> AGM, which is considered to be unavoidable by the Board of Directors of the Company, is annexed here to. Also, relevant details in respect of Directors seeking re-appointment at the AGM, in terms of Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Clause 1.2.5 of Secretarial Standard - 2 on General Meetings are also annexed to this notice.
2. In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 12, 2021, 21/2021 dated December 14, 2021 and 2/2022 dated May 05, 2022 issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "MCA Circulars") AND Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, issued by the Securities and Exchange Board of India ("SEBI") (hereinafter collectively referred to as "SEBI Circulars") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("the Listing Regulations"), the 10<sup>th</sup> AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. Complete details and instructions for Instructions for the members for attending the e-AGM through VC/OAVM are furnished as Attachment – II to the Notice.
3. The deemed venue for Tenth AGM shall be the registered office of the Company.
4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Attendance of the Members participating in the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. In compliance with the MCA Circulars and the Securities and Exchange Board of India ('SEBI') Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Notice of the 10th AGM along with the Annual Report for Financial Year 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / National Securities Depository Limited and Central Depository Services (India) Limited ('the Depositories'). A copy of this Notice along with the Annual Report for Financial Year 2021-22 is uploaded on the Company's website [www.nandancreation.com](http://www.nandancreation.com) websites of the Stock Exchanges The National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) respectively and on the website of Bigshare Services Private Limited ('Bigshare'), the Registrar and Transfer Agents of the Company ('RTA') at <https://www.bigshareonline.com/> Members who have not registered their email address so far are requested to register their email address for receiving all communication including Annual Report, Notices, etc., from the Company electronically.
7. Institutional/Corporate Shareholders (i.e. other than Individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc. authorizing its representative to attend the AGM through VC /OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [cs@jaipurkurti.com](mailto:cs@jaipurkurti.com) with a copy marked to [helpdesk.evotng@cdslindia.com](mailto:helpdesk.evotng@cdslindia.com).
8. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 24th September, 2022 to Friday, 30th September, 2022 (both days inclusive).
9. The Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 has mandated all Companies to use approved electronic mode of payment for making cash payments such as dividend to the Members (where core banking details are available) or to print the bank account details of the Members (as per the Company's records) on the physical payment.



## NOTICE OF AGM 2021-22

10. Hence, the Members are requested to furnish/update their bank account name & branch, bank account number and account type along with other core banking details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc. at the earliest with:
  - i. The respective Depository Participants (DP) (in case of the shares held in Electronic Mode) or;
  - ii. The Registrar & Share Transfer Agent of the Company (R&T Agent) (in case of the shares held in Physical form).
11. Members holding shares in Demat mode may kindly note that any request for change of address or change of E-mail ID or change in bank particulars/mandates or registration of nomination are to be instructed to their Depository Participant only, as the Company or its Registrar & Share Transfer Agent cannot act on any such request received directly from the Members holding shares in Demat mode. However, Members holding shares in physical mode are requested to notify the Registrar & Share Transfer Agent of the Company of any change in their address and e-mail id as soon as possible.
12. Members are requested to contact the Company's Registrar & Share Transfer Agent Bigshare Services Private Limited ("Bigshare" or "Registrar & Share Transfer Agent") having address at 1st Floor, Bharat Tin Works Building, Opposite Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400 059; Tel.: (022) 62638200/02 Email id: [admission@bigshareonline.com](mailto:admission@bigshareonline.com); Website: [www.bigshareonline.com](http://www.bigshareonline.com) for reply to their queries/redressal of complaints, if any, or contact Ms. Gunjan Jain , Company Secretary at the Registered Office of the Company (Phone No.: +0141-4037596; Email: [cs@jaipurkurti.com](mailto:cs@jaipurkurti.com) ).
13. To support the "Green Initiative" Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Bigshare in case the shares are held by them in physical form. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website [www.nandanicreation.com](http://www.nandanicreation.com) , website of the Stock Exchanges i.e. National Stock Exchange of India Limited "Emerge Platform" and on the website of CDSL [www.evotngindia.com](http://www.evotngindia.com)
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFS Code, etc., to their DPs in case the shares are held by them in electronic form and to Bigshare in case the shares are held by them in physical form.
15. The Cut-off date for determining the names of shareholders eligible to get Notice of Annual General Meeting is Friday, 02<sup>nd</sup> September, 2022.
16. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Act will be available during the meeting for inspection, to the Members attending the AGM.
17. Members may avail the facility of nomination by nominating a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's Registrar & Share Transfer Agent.
18. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's Registrar & Share Transfer Agent for consolidation into single folio.
19. Since, the securities of the Company are traded compulsorily in dematerialized form as per SEBI mandate, Members holding shares in physical form are requested to get their shares dematerialized at the earliest.
20. As per Regulation 40 of SEBI Listing Regulations, as amended, Securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact

## NOTICE OF AGM 2021-22

the Company or Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited ("Bigshare") for assistance in this regard.

21. The Shareholders, seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company before the date of the AGM through Email on [info@jaipurkurti.com](mailto:info@jaipurkurti.com). The same will be replied by/ on behalf of the Company suitably.
22. The Company has appointed **M/s Manisha Godara and Associates, Practicing Company Secretaries, New Delhi** as scrutinizer to scrutinize the voting and the voting process in a fair and transparent manner.
23. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which the voting is to be held, allow voting with the assistance of the Scrutinizer, by use of e-voting for all those Members who are present at the AGM through VC/AOVM.
24. The scrutinizer shall after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting in the presence of at least two witnesses not in the employment of the Company and shall make and submit, within 48 hours of the conclusion of the AGM, a consolidated scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting within 48 hours of conclusion of the AGM.
25. The Notice of the AGM shall be placed on the website of the Company till the date of AGM. The Results declared, along with the scrutinizer's Report shall be placed on the Company i.e. [www.nandanicreation.com](http://www.nandanicreation.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The Results shall also be immediately forwarded to the Stock Exchange(s) where the shares of the Company are listed. Further, the results shall be displayed on the Notice Board of the Company at its Registered Office.
26. Pursuant to Section 108 of Companies Act, 2013 read with rules made there under and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is providing e-voting facility to its Members to exercise their votes electronically on the item of business given in the Notice through the electronic voting service facility provided by CDSL.
27. Since, the AGM will be held at the registered office (deemed place of Meeting) and also via VC/OAVM, the Route map is also annexed in this Notice.

### **THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:**

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 including Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its Members facility to exercise their right to vote at the Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by the Central Depository Services (India) Limited (CDSL).

- i. The voting period begins on **Monday, 26<sup>th</sup> Day of September, 2022 at 9.00 A.M. and ends on Thursday, 29<sup>th</sup> day of September, 2022 at 5.00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, **23<sup>rd</sup> September, 2022** may cast their vote electronically and that a person who is not a member as on the cut-off date should treat this notice for information purposes only. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility or physically and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- ii. The Board of Directors has appointed M/s Manisha Godara and Associates, Practicing Company Secretaries, New Delhi as scrutinizer to scrutinize the votes during the AGM and the remote e-voting process in a fair and transparent manner.

iii. The Members who have casted their vote by remote e-voting prior to the AGM may also attend /participate in the AGM through VC/OAVM/physically but shall not be entitled to cast their votes again.

iv. The Details of the process and manner for remote e-voting are explained herein below:

- v. Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- vi. Click on “Shareholders” Tab.
- vii. Now Enter your User ID a) For CDSL: 16 digits beneficiary ID b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- viii. Next, enter the Image Verification as displayed and Click on Login.
- ix. If you are holding shares, in demat form, had logged onto [www.evotingindia.com](http://www.evotingindia.com) , and voted on an earlier voting of any Company, then your existing password is to be used.
- x. If you are a first-time user, then follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN Field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN Field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

- xi. After entering these details appropriately, click on “SUBMIT” tab.
- xii. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xiii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xiv. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xv. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- xvi. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xvii. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xviii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xix. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xx. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details, they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- xxi. Shareholders can also cast their vote using CDSL’s mobile app “m-Voting” available for android based mobiles. The m-voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xxii. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date may follow the same instructions as mentioned above for remote e-voting or sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- xxiii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evoting.com](http://www.evoting.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at 1800225533 or to the Company at [cs@jaipurkurti.com](mailto:cs@jaipurkurti.com).

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:**

1. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-voting system. Shareholders may access the same at [http:// www.e-votingindia.com](http://www.e-votingindia.com) under Shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in the shareholder/members login where the EVSN of the Company will be displayed.
2. The Facility of joining the AGM through VC/OAVM shall open 15 minutes before the scheduled time for the AGM.
3. Members are encouraged to join the meeting through Laptops with Google Chrome for better experience.
4. Further, members will be required to allow camera, if any, and hence use internet with a good speed to avoid any disturbance during the meeting.

## NOTICE OF AGM 2021-22

5. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.
6. Shareholders who would like to express their views or ask questions during the AGM will have to register themselves as a speaker by sending their requisition advance at least 2 days prior to meeting mentioning their names, Demat Account No./Folio No., e mail ID, Mobile No. at [info@jaipurkurti.com](mailto:info@jaipurkurti.com). The Shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 2 days prior to the meeting mentioning their names, Demat Account No./Folio No., e mail ID, Mobile No. at [info@jaipurkurti.com](mailto:info@jaipurkurti.com). These queries will be replied to by the Company suitably by email.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E -VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

- I. For Physical shareholders-please provide necessary details like Folio No., name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of AADHAR card) by email to the Company/RTA email id.
- II. For Demat Shareholders- please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID+CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of AADHAR card) by email to the Company/RTA email id.
- III. The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

<b>DATE: 01.09.2022</b> <b>PLACE: JAIPUR</b>	<b>By the Order of the Board</b> <b>For NANDANI CREATION LIMITED</b> <b>Sd/-</b> <b>GUNJAN JAIN</b> <b>(COMPANY SECRETARY &amp; COMPLIANCE OFFICER)</b> <b>(M No.: 45068)</b>
<b>Registered Office:</b> <b>G-13, KARTARPURA INDUSTRIAL AREA,</b> <b>NEAR 22-GODAM, JAIPUR-302006, RAJASTHAN</b> <b>CIN: L18101RJ2012PLC037976</b>	

ANNEXURE TO THE NOTICETHE FOLLOWING EXPLANATORY STATEMENT SETS OUT ALL MATERIAL FACTS RELATING TO RESOLUTION NO'S. 3 TO 5 OF THE NOTICE IN ACCORDANCE WITH SECTION 102 OF COMPANIES ACT, 2013:ITEM NO. 3:

The Company has been making investments in, giving loans and guarantees to and providing securities in connection with loans to various persons and bodies corporate from time to time, in compliance with the applicable provisions of the Act.

The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more. Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a general meeting.

In view of the above and considering the long term business plans of the Company, which requires the Company to make sizeable loans / investments and issue guarantees / securities to persons or bodies corporate, from time to time, prior approval of the Members is being sought for enhancing the said limits.

The Board recommends the resolution as set out at agenda Item no.3 of the accompanying notice for the members' consideration and approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Act is, in any way, financially or otherwise, concerned or interested in this resolution.

ITEM NO. 4:

The members of the Company are requested to note that Section 180(1) (a) of the Act mandates that the Board of Directors of a company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of any undertaking(s) of the company, only with the approval of the members of the Company by way of a special resolution. Explanation (i) to Section 180 (1)(a) of the Act states that the meaning of an 'undertaking' for the purposes of Section 180(1) of the Act is an undertaking in which the investment of the company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the company during the previous financial year. Explanation (ii) to Section 180 (1)(a) of the Act states that the meaning of 'substantially the whole of the undertaking' for the purposes of Section 180(1) is in any financial year, twenty percent or more of the value of the undertaking as per the audited balance sheet of the preceding financial year.

Accordingly, pursuant to Section 180(1)(a) of the Act members of the Company are requested to note that consent of the Board has been sought in its meeting to sell, transfer and/or dispose of, through securitization or direct assignment of cash flows, the loan assets and receivables of the Company (including without limitation all rights, title, interests and benefits of the Company in such assets and receivables and the corresponding security interests, if any which have been created in favor of the Company, of an aggregate amount of up to Rs. 200.00 Crores.

Therefore, the approval of members is sought u/s 180(1)(a) of the Act by passing special resolution to sell, transfer and/or dispose of the loan assets and receivables of the Company through securitization or direct assignment of cash flows of an aggregate amount of upto Rs. 200.00 Crores.



The Board recommends the resolution as set out at agenda Item no.4 of the accompanying notice for the members' consideration and approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Act is, in any way, financially or otherwise, concerned or interested in this resolution.

**ITEM NO. 5:**

As per the provisions of Section 180(1)(c) of the Act the Board of Directors of a company cannot, except with the consent of the Members of the company in a general meeting, borrow monies, apart from temporary loans obtained from the company's bankers in the ordinary course of business, in excess of the aggregate of the paid-up capital of the Company, its free reserves, that is reserves not set apart for any specific purpose and Securities Premium.

To meet the additional working capital and long term funding requirements as also to provide for the issue of any debt, debt related instruments, it is necessary to increase the present borrowing limit of the Company. The approval of the Members is, therefore, being sought by way of a special resolution, pursuant to Section 180(1)(c) of the Companies Act, 2013, to increase the limit for outstanding borrowings to an amount of Rs. 200.00 Crores.

The said borrowings may be secured by way of charge / mortgage / hypothecation on the Company's assets in favour of financial institutions, investment institutions, banks, other bodies corporate, etc.

The Board recommends the resolution as set out at agenda Item no. 5 of the accompanying notice for the members' consideration and approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Act is, in any way, financially or otherwise, concerned or interested in this resolution.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (AS AMENDED FROM TIME TO TIME), AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2):

I. **ITEM NO. 2:**

<b>Name of Director</b>	<b>Vandana Mundhra</b>
<b>DIN</b>	05202403
<b>Age</b>	40 years
<b>Qualification</b>	Bachelor of Arts (B.A) from International College for Girls
<b>Date Of First Appointment On The Board</b>	21/02/2012
<b>Expertise in specific functional areas</b>	Carry rich experience of 15 years in the textile industry. She plays a crucial role in designing and developing the products, and is the creative head behind the company.
<b>Shareholding in Company as on 31st March, 2022</b>	1976975 Shares
<b>List of the directorships held in other companies as on 31st March, 2022</b>	-
<b>Relationship with other directors Manager and other Key Managerial Personnel of the Company</b>	Wife of Mr. Anuj Mundhra & Daughter-in-law of Mrs. Sunita Devi Mundhra
<b>No. of Meetings attended during the Financial Year 2021-22</b>	During F.Y. 2021-22 total 6 (six) meetings were held and Mrs. Vandana Mundhra attended all Board Meetings
<b>Terms and Conditions of Appointment</b>	Executive, non independent Director, liable to retire by rotation
<b>Remuneration details (Including Sitting Fees &amp; Commission)</b>	Refer Corporate Governance Report

Directorship includes Directorship of Companies & Committee membership includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (whether Listed or not)

<b>DATE: 01.09.2022</b> <b>PLACE: JAIPUR</b>	<b>By the Order of the Board</b> <b>For NANDANI CREATION LIMITED</b> <b>Sd/-</b> <b>GUNJAN JAIN</b> <b>(COMPANY SECRETARY&amp; COMPLIANCE OFFICER)</b> <b>(M No.: A45068)</b>
<b>Registered Office:</b> <b>G-13, KARTARPURA INDUSTRIAL AREA,</b> <b>NEAR 22-GODAM, JAIPUR-302006, RAJASTHAN</b> <b>CIN: L18101RJ2012PLC037976</b>	



# GLIMPSE OF OUR RETAIL STORES



Jaipur kurti<sup>®</sup>.Com



Jaipur kurti<sup>®</sup>.Com





# OUR STORES



**MANUFACTURING UNIT  
KARTARPURA INDUSTRIAL  
AREA, JAIPUR**





# WE JUST GOT VERIFIED







Jaipur kurti<sup>®</sup>  
Com

AMAIVA  
BY JAIPUR KURTI

Desi Fusion<sup>®</sup>

FOR FURTHER INFORMATION PLEASE CONTACT THE COMPANY:  
**NANDANI CREATION LIMITED**  
CIN NO. L18101RJ2012PLC037976


 [WWW.JAIPURKURTI.COM](http://WWW.JAIPURKURTI.COM)

 [INFO@JAIPURKURTI.COM](mailto:INFO@JAIPURKURTI.COM)

 +91-141-4037596

**Manufacturing Units**

G-13, AARNA-3, KARTARPURA INDUSTRIAL AREA, BAIS GODAM, JAIPUR, RAJASTHAN, INDIA  
302006



Styles and trends may come and go, but traditional wear never loses its appeal, especially when infused with the best of heritage and traditions.

Truly complying with the name we at Jaipurkurti.com believes that every women looks beautiful and we proudly say we make beautiful women looks more beautiful !!

*Anuj Mundhra*

**- ANUJ MUNDHRA**