



RHAD & CO.

CHARTERED ACCOUNTANTS

Head Office :- 304, Sohan Commercial Plaza, Near Railway Station, Vasai Road (East), Dist. Palghar 401208.
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DHANESH FABRICS PRIVATE LIMITED
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Dhanesh Fabrics Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021 and its profit for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

Key Audit Matters are these matters that, in our professional judgment, were of most significance in our Audit of financial statement of the current period. These matters were addressed in the context of our Audit of financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Emphasis of Matters

1. Refer to Note 3 attached to the financial statements, Trade Receivables include Rs. 93.65 lacs due for more than six months. No provision has been made in the books for the same as the management has considered the same as good and recoverable.

Information other than the financial statements and auditors' 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 Board's report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 Accounting Principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate implementation and maintenance of accounting



policies, making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. That Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors Responsibility for the audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- a) 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 non-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.
- b) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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 Auditors' Report to the related disclosures in the financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusion are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the group to cease to continue as a going concern.

- e) Evaluate the overall presentation, structure and content of the financial statement, including the disclosure and whether the financial statements represent the underline 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 compiled with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

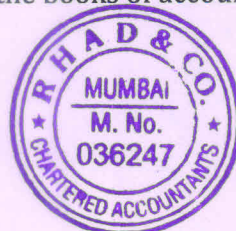
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditors' Report unless law or regulation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

Report on Other Legal and Regulatory Requirements

As required by 'the Companies (Auditor's Report) Order 2016 (the order), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.


As required by section 143(3) of the Act, we report that:

- 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 accounts as required by law have been kept by the company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the board of directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of section 164(2) of the Act.
- f) Since the Company's turnover as per the last audited financial statement is less than 50 crores and its borrowing from the bank and financial institutions at any time during the year is less than 25 crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls vide notification dated June 13,2017
- g) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules,2014, in our Opinion and to the best of our information and according to the explanations given to us:
- 1) The Company does not have any pending litigations which would impact on its financial position
 - 2) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - 3) There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the company.

For R H A D & Co.
Chartered Accountants
Firm Registration No: 102588W


Dinesh C. Bangar
(Partner)
M. No. : 036247



Place: Mumbai
Date: 28-06-2021
UDIN:21036247AAAABA5163

Annexure A to the Independent Auditor's Report (Referred to in paragraph (1) under 'Report on other legal and regulatory requirements' section of our report to the members of Dhanesh Fabrics Private Limited of even date)

- I The Company does not have any moveable or immovable property, accordingly reporting under this para is not applicable.
- II The Stock of finished goods, stores, spare parts and raw material have been physically verified by the management at reasonable intervals during the year as informed by the management but as the factory was partially closed due to Covid 19 pandemic impact the management could not physically verify the stock at the end of the year and as per the information and explanation given to us by the management and according to the records produced to us, no material discrepancies noticed on such physical verification as compared to book records.
- III According to the information and explanation given, the Company has not granted any loans secured or unsecured, to Companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, para 3(iii) of the order is not applicable.
- IV In our opinion and according to the information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made an investment to which the provision of section 185 and 186 of the Companies Act, 2013, apply. Accordingly para 3(iv) of the order is not applicable.
- V In our opinion and according to the information and explanation given to us, The Company has not accepted any deposits from public. Accordingly para 3(v) of the order is not applicable.
- VI The central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act, for any of the services rendered by the Company, Accordingly para 3(vi) of the order is not applicable.
- VII a) As per the information and explanation given by the management, and according to the records of the company with regard to undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, GST and Other Statutory dues applicable to it, the company is generally regular in depositing with appropriate authorities. There is no undisputed amount payable in respect of such statutory dues, which have



remained outstanding as at 31st March 2021 for a period more than six months.

- b) According to the information and explanation given to us, there is no dispute pending in respect of dues of PF, Sales Tax, Income Tax, Wealth Tax, Custom Duty, Service Tax, Excise Duty, GST.

VIII According to the information and explanation given to us, the Company has not defaulted in repayment/dues etc. to financial institutions, banks or debenture holders during the year. Accordingly, para 3(viii) of the order is not applicable.

IX The Company has not raised any money by way of Initial Public Offer or Further Public Offer (including debt instruments) and term loans during the year. Accordingly, para 3(ix) of the order is not applicable.

X To the best of our knowledge and beliefs and according to the information and explanation given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year under review.

XI The Company is a private limited company and hence the provisions of section 197 read with schedule V to the Companies Act, 2013 are not applicable. Accordingly, para 3(xi) of the order is not applicable.

XII The Company is not a Nidhi Company as per the provisions of section 406 of the Companies Act, 2013.

XIII As per the information and explanation given to us all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the note no. 36 on financial statements as required by the applicable accounting standards.

XIV The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, para 3(xiv) of the order is not applicable.

XV As per the information and explanation given to us the company has not entered into any non-cash transactions with directors or person connected with him.



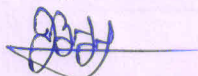
XVI

As per the information and explanations given to us, the company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

For R H A D & Co.

Chartered Accountants

Firm Registration No: 102588W



Dinesh C. Bangar
(Partner)

M. No. : 036247

Place: Mumbai

Date: 28-06-2021



DHANESH FABRICS PRIVATE LIMITED

Balance Sheet as at 31st March 2023

(Amount in Rs.)

	Particulars	Note	As at 31/03/2023	As at 31/03/2022
	ASSETS			
1	Non-current assets			
	a. Property, Plants & Equipment		-	-
	b. Long-term loan and advances		-	-
	c. Deferred Tax Assets		-	-
	Total Non-current Assets		-	-
2	Current Assets			
	a. Inventories	2	13,753,481	17,004,040
	b. Financial Assets			
	i) Trade Receivable	3	7,711,667	8,906,324
	ii) Cash and cash equivalents	4	252,154	1,168,992
	c. Current Tax Assets (net)	5	181,964	44,651
	d. Other Current Assets	6	225,940	653,640
	Total Current Assets		22,125,207	27,777,647
	Total Assets		22,125,207	27,777,647

	EQUITY & LIABILITIES			
1	EQUITY			
	a. Equity Share Capital	7	100,000	100,000
	b. Other Equity	8	10,235,473	9,061,364
	Total Equity		10,335,473	9,161,364
2	LIABILITIES			
	Non-Current Liabilities			
	a. Long Term Borrowings		-	-
	b. Deferred Tax Liabilities		-	-
	Total Non-Current Liabilities		-	-
	Current Liabilities			
	a. Financial Liabilities			
	i) Short Term borrowings	9	7,402,509	7,402,509
	ii) Trade Payable	10	-	-
	(a) Total outstanding dues - MSMEs		4,084,082	10,863,441
	(b) Total outstanding dues- Other than MSMEs		15,797	15,797
	b. Other current liabilities	11	287,346	334,536
	c. Current Tax Liabilities (net)		-	-
	Total Current Liabilities		11,789,734	18,616,283
	Total Equity & Liabilities		22,125,207	27,777,647

Summary of significant accounting policies

1

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

For R H A D & Co.

Chartered Accountants

FR No. 102588W

Dinesh C. Bangar

Dinesh C. Bangar

M.No.. 036247

Place : Mumbai

Date : 26th May 2023



Vinod S. Jhawar

Vinod S. Jhawar

Director

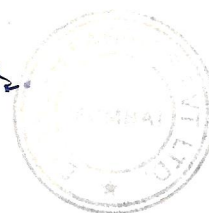
DIN: 00002903

Lalit V. Jhawar

Lalit V. Jhawar

Director

DIN: 06418486



DHANESH FABRICS PRIVATE LIMITED

Statement of Profit & Loss for the Year ended 31st March 2023

(Amount in Rs.)

		Note No	For the year ended 31st March 2023	For the year ended 31st March 2022
Income:				
1 (a)Revenue from operations		12	59,081,147	44,992,394
2 (b)Other Income		13	83,718	10,510
Total Income			59,164,865	45,002,904
Expenses:				
(a)Purchase of stock in Trade		14	34,895,027	34,987,549
(b)Changes in Inventories of Stock in Trade		15	3,250,558	(5,287,664)
(c)Employee benefits expenses		16	2,753,550	2,363,885
(d)Finance costs		17	982,865	473
(e)Depreciation			-	-
(f)Other Expenses		18	15,777,128	11,874,397
Total Expenses			57,659,129	43,938,640
4 Profit/(Loss) before Exceptional Items & Taxes			1,505,736	1,064,264
5 Exceptional Items			-	-
6 Profit/ (Loss) before Taxes			1,505,736	1,064,264
7 Tax Expense				
(a)Current Tax			378,965	267,850
(b)Deferred Tax			-	-
(c) Excess or Short Provision of Income Tax Earlier years			(47,337)	(3,504)
Net Tax Expense			331,628	264,346
8 Profit/(Loss) for the year			1,174,109	799,918
9 Other comprehensive income				
- Items that will not be reclassified to profit or loss			-	-
- Income tax relating to items that will not be reclassified to profit or loss			-	-
- Items that will be reclassified to profit or loss			-	-
- Income tax relating to items that will be reclassified to profit or loss			-	-
Total Other comprehensive income			-	-
10 Total comprehensive income for the year			1,174,109	799,918
11 Earning per equity share (Face Value Rs.10/- each)				
(a) Basic			117.41	79.99
(b) Diluted			117.41	79.99

Summary of significant accounting policies

The accompanying notes are an integral part of these financial statements

As per our report of even date

For R H A D & Co.

Chartered Accountants

FR No. 102588W

Dinesh C. Bangar

Dinesh C. Bangar

M. No.. 036247

Place : Mumbai

Date : 26th May 2023



1

For and on behalf of the Board of Directors

Vinod S. Jhawar

Vinod S. Jhawar

Director

DIN: 00002903

Lalit V. Jhawar

Lalit V. Jhawar

Director

DIN: 06418486



DHANESH FABRICS PRIVATE LIMITED
Cash Flow Statement for the year ended 31st March 2023

Particulars	For the Year Ended		For the Year Ended	
	31 st March 2023		31 st March 2022	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		1,505,736		1,064,264
<u>Adjustments for:</u>				
Depreciation and amortisation	-	-	-	-
(Profit) (-) Loss (+) on sale / write off of assets	-	-	-	-
Excess/Short IT Provision written back/off	47,337		3,504	
Finance costs	982,865		473	
Operating profit / (loss) before working capital changes		2,535,939		1,068,241
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories (increase / decrease)	3,250,558		(5,287,663)	
Trade and othe receivables	1,194,657		2,870,592	
Other current assets	290,387		(679,534)	
Other Current Liabilities	(47,190)		149,964	
Trade and other Payables	(6,779,359)		2,704,062	
Cash generated from operations		(2,090,947)		(242,579)
		444,992		825,661
Net income tax (paid) / refunds		378,965		267,850
Net cash flow from / (used in) operating activities (A)		66,027		557,811
B. Cash flow from investing activities				
Purchase of fixed assets & sale (net off)	-	-	-	-
Sale of fixed assets	-	-	-	-
Long Term Liabilities	-	-	-	-
Long term Provisions	-	-	-	-
Net cash flow from / (used in) investing activities (B)		-		-
C. Cash flow from financing activities				
Issue of equity shares	-	-	-	-
Repayment of long-term borrowings	-	-	-	-
Net increase / (decrease) in working capital borrowings	-	-	-	-
Finance cost	(982,865)		(473)	
Net cash flow from / (used in) financing activities (C)		(982,865)		(473)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(916,838)		557,339
Cash and cash equivalents at the beginning of the year		1,168,992		611,653
Cash and cash equivalents at the end of the year		252,154		1,168,992

Summary of significant accounting policies 1

The accompanying notes are an integral part of these financial statements

As per our report of even date

For R H A D & Co.

Chartered Accountants

FR No. 102588W

Dinesh C Bangar

Partner

M. No., 036247

Place : Mumbai

Date : 26th May 2023



For and on behalf of the Board of Directors

Vinod S. Jhavar

Vinod S. Jhavar

Director

DIN: 00002903

Lalit V. Jhavar

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Director

DIN: 06418486

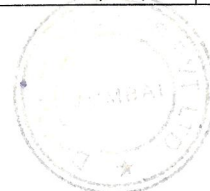


DHANESH FABRICS PRIVATE LIMITED

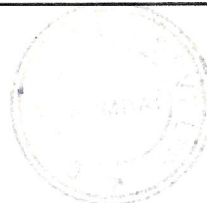
Notes to the Financial Statements as at 31st March 2023

(Amount in Rs.)

	Particulars	As at 31.03.2023	As at 31.03.2022
2	INVENTORIES		
	Stock of Cloth	13,753,481	17,004,040
	Total	13,753,481	17,004,040
3	TRADE RECEIVABLES	As at 31.03.2023	As at 31.03.2022
	A) Undisputed Trade Receivables- Considered Good		
	Less than 6 months	7,545,849	8,355,748
	6 months - 1 year	1,940	18,042
	1-2 year	62,626	14,959
	2-3 year	7,419	489,246
	More than 3 year	93,833	28,330
	B) Undisputed Trade Receivables- Considered Doubtful	-	-
	C) Disputed Trade Receivables- Considered Good	-	-
	D) Disputed Trade Receivables- Considered Doubtful	-	-
	Total	7,711,667	8,906,324
4	CASH AND BANK BALANCES	As at 31.03.2023	As at 31.03.2022
	Cash Balance	46,376	20,495
	Balance with Bank	205,778	1,148,497
	Total	252,154	1,168,992
5	CURRENT TAX(ASSETS)	As at 31.03.2023	As at 31.03.2022
	Advance Tax for the Year	525,000	300,000
	TDS Receivable for the Year	24,704	11,732
	TCS Receivable for the Year	11,225	769
	Less: Provision for Income Tax FY 2020-21	(378,965)	(267,850)
	Total	181,964	44,651
6	OTHER CURRENT ASSETS	As at 31.03.2023	As at 31.03.2022
	GST Receivable	225,940	353,640
	Loan to Staff Receivable	-	300,000
	Total	225,940	653,640
7	EQUITY SHARE CAPITAL	As at 31.03.2023	As at 31.03.2022
	Authorised		
	10000 Equity Shares of Rs. 10/- each (Previous year 10000 Equity Shares of Rs.10/-each)	100,000	100,000
	Issued,Subscribed & Paid up	100,000	100,000
	10000 Equity Shares of Rs. 10/- each fully paid up in cash (Previous year 10000 Equity Shares of Rs.10/-each)		
	7.1 The details of Shares held by Promoters	No.of Shares %	No.of Shares %
	Dhanlaxmi Fabrics Ltd. (Holding Company)	9999 99.99	9999 99.99
	7.2 The details of Shareholders holding more than 5% Shares	No.of Shares %	No.of Shares %
	Dhanlaxmi Fabrics Ltd. (Holding Company)	9999 99.99	9999 99.99
8	RESERVES AND SURPLUS	As at 31.03.2023	As at 31.03.2022
	Profit & Loss A/c		
	As per last Balance sheet	9,061,364	8,261,446
	Add: Profit for the year	1,174,109	799,918
	Total	10,235,473	9,061,364



9	Unsecured Loans Dhanlaxmi Fabrics Ltd	As at 31.03.2023	As at 31.03.2022
			7,402,509
	Total	7,402,509	7,402,509
10 TRADE PAYABLE			
		As at 31.03.2023	As at 31.03.2022
A) Undisputed Dues- Others			
Less than 1 year		-	-
1-2 year		-	15,797
2-3 year		15,797	-
More than 3 year		-	-
B) Undisputed Dues- MSME			
Less than 1 year		4,084,082	10,863,441
1-2 year		-	-
2-3 year		-	-
More than 3 year		-	-
C) Disputed Dues- Others		-	-
D) Disputed Dues- MSME		-	-
	Total	4,099,879	10,879,238
10.1 MSME DISCLOSURE			
1 Principal amount not due and remaining unpaid as on 31.3.2023		1,260,548	10,510,649
2 Principal amount due and remaining unpaid as on 31.03.2023		2,823,534	352,792
3 Interest due on (1) above and the unpaid interest		-	-
4 Interest due and payable for the period of delay other than (3) above		-	-
10.2 Company has not provided for interest on principal amount which was due and remaining unpaid as on 31.03.2023 exceeding stipulated time.			
11 OTHER CURRENT LIABILITIES			
		As at 31.03.2023	As at 31.03.2022
Salary Payable		50,000	245,300
TDS Payable		125,952	44,236
Advance from Customers		24,770	-
Outstanding Expenses		86,624	45,000
	Total	287,346	334,536



DHANESH FABRICS PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31st March 2023

(Amount in Rs.)

	Particulars	For the year ended	
		31.03.2023	31.03.2022
12	REVENUE FROM OPERATIONS		
	Net Cloth sales	59,081,147	44,992,394
	Total	59,081,147	44,992,394
13	OTHER INCOME	31.03.2023	31.03.2022
	Sundry Balances Written off	79,813	10,244
	Interest on IT Refund	3,905	266
	Total	83,718	10,510
14	PURCHASE OF STOCK IN TRADE	31.03.2023	31.03.2022
	Purchases of Cloth	34,895,027	34,987,549
	Total	34,895,027	34,987,549
15	CHANGES IN INVENTORIES OF STOCK IN TRADE	31.03.2023	31.03.2022
	Opening Stock	17,004,040	11,716,376
	Closing Stock	13,753,481	17,004,040
	Total	3,250,558	(5,287,664)
16	EMPLOYEE BENEFITS EXPENSES	31.03.2023	31.03.2022
	Salary & Wages	2,753,550	2,363,885
	Total	2,753,550	2,363,885
17	FINANCE COST	31.03.2023	31.03.2022
	Interest Expenses	982,865	473
	Total	982,865	473
18	OTHER EXPENSES	31.03.2023	31.03.2022
i)	MANUFACTURING EXPENSES		
	Grey Checking Charges	57,823	57,562
	Job Work Charges	15,112,688	10,934,735
	Printing & Engraving	25,850	29,975
	Sampling Expenses	42,120	-
	Transportation Charges	268,101	151,270
	Total (i)	15,506,582	11,173,542
ii)	OTHER EXPENSES		
	Travelling Expenses	-	7,479
	Conveyance Expenses	78,166	65,210
	ROC Filing Fees	1,228	921
	Commission & Brokerage	43,815	40,235
	Rent, Rates & Taxes	30,000	30,000
	Courier Charges	29,563	40,693
	General Expenses	20,200	15,850
	Legal & Professional Fees	50,000	50,000
	Inspection charges	-	15,496
	Bad Debts	17,574	434,970
	Total (ii)	270,546	700,854
	Total (i+ii)	15,777,128	11,874,396



19 Related Party Disclosures:

A) List of Related Parties:

Key Management Personnel

- 1 Vinod S Jhawar
- 2 Lalit V. Jhawar

Relationship
Director
Director

Enterprises over which significant influence is exercised by key management personnel

- 1) Dhanlaxmi Fabrics Ltd Holding Company
- 2) Promtech Impex Pvt Ltd Common Director

B) Related parties transactions during the year with:

Particulars	Key Management Personnel/Relative of Director		Enterprises over which significant influence is exercised by KMP	
	FY 2022-23*	FY 2021-22*	FY 2022-23*	FY 2021-22*
Rent paid :				
Dhanlaxmi Fabrics Ltd	-	-	30,000	30,000
Job Charges paid:				
Dhanlaxmi Fabrics Ltd	-	-	15,080,617	10,262,219
Sales:				
Dhanlaxmi Fabrics Ltd	-	-	825,129	-
Purchases:				
Dhanlaxmi Fabrics Ltd	-	-	4,964,114	6,883,870
Director Remuneration Given:				
Lalit Vinod Jhawar	1,800,000	1,080,000	-	-
Interest Paid				
Dhanlaxmi Fabrics Ltd	-	-	982,712	-
Courier Charges Paid :				
Dhanlaxmi Fabrics Ltd	-	-	27,276	-
Year end balance-Credit:				
Dhanlaxmi Fabrics Ltd	-	-	10,998,214	9,215,356
Year end balance-Debit :				
Dhanlaxmi Fabrics Ltd	-	-	-	-

* Exclusive of GST.

20 Contingent Liabilities

There is no contingent liabilities as on 31.03.2023

21 Information pursuant to Para 5(viii) of the General Instructions to the Statement of Profit and Loss

(a). Expenditure in foreign currency (on accrual basis):

Particulars	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Travelling Expenses	NIL	NIL
Others	NIL	NIL
Total	NIL	NIL

(b). Earnings in foreign currency (on accrual basis):

Particulars	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Exports on F.O.B Basis	NIL	NIL
Others	NIL	NIL
Total	NIL	NIL

22 AUDITORS REMUNERATION

Particulars	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Audit Fees	25,000	25,000
Total	25,000	25,000

* Exclusive of GST.



23 In the opinion of the Board of Directors Current Assets are approximately of the value as stated if realized in the ordinary course of business. The Provisions for all known liabilities is adequate & not in excess of the amount reasonable necessary.

24 Disclosure of Financial Ratios

Particulars	Numerator	Denominator	31st March 2023	31st March 2022	% of Variance
Current Ratio	22,125,207	11,789,734	1.88	1.49	25.77
Debt-Equity Ratio	7,402,509	10,335,473	0.72	0.81	-11.36
Return on Equity Ratio	1,174,109	9,748,419	0.12	0.09	31.92
Inventory Turnover Ratio	59,081,147	15,378,760	3.84	3.13	22.62
Trade Receivable Turnover Ratio	59,081,147	8,308,996	7.11	4.35	63.44
Trade Payable Turnover Ratio	34,895,027	7,489,558	4.66	3.67	26.87
Net Capital Turnover Ratio	59,081,147	10,335,473	5.72	4.91	16.40
Net Profit Ratio	1,174,109	59,081,147	0.02	0.02	11.78
Return on Capital Employed	2,488,601	17,737,982	0.14	0.06	118.26

Note:

1. Sharp Decrease in Trade Payable led to increase Current Ratio
2. Increase in Net Profit led to increase Return on Equity Ratio
3. Increase turnover led to increase Trade Receivable Turnover Ratio
4. Decrease Trade Payable led to increase Trade Payable Turnover Ratio
5. Sharp increase in Finance cost led to increase Return on capital employed Ratio
6. Financial Ratios are disclosed to the extent applicable to the Company.

25 Additional Regulatory Information in Schedule III

- (i) The Company has not given any Loans or advances to specified persons during the year
- (ii) The Company has not been declared as wilful defaulter by any bank or Financial institution or other lender
- (iii) The Company does not have any transactions or relationship with Struck off Companies
- (iv) There are no Scheme of Arrangements as on March 31, 2023
- (v) Additional Regulatory Information detailed in clause 6L of General Instructions given in Part I of Division II of the Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.

26 Previous year's figure have been regrouped/reclassified wherever necessary to correspond with the current years classification/disclosures.

As per our report of even date

For R H A D & Co.
Chartered Accountants

FR No. 102588W



Dinesh C Bangar

M. No.. 036247

Place : Mumbai

Date : 26th May 2023



For and on behalf of the Board of Directors



Vinod S. Jhawar

Director

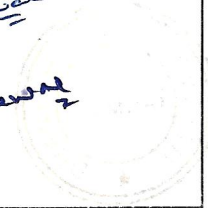
DIN: 00002903



Lalit V. Jhawar

Director

DIN: 06418486



NOTE NO. 1

Company Overview

The Company **Dhanesh Fabrics Private Limited** is an existing company, incorporated on **09th July 1999** under the provisions of the Indian Companies Act, 1956 and deemed to exist within the purview of the Companies Act, 2013, having its registered office at **Bhopar Village, Manpada Road, Dombivali East Dist Thana MH 421204 India**.

The Company's main activity is Trading of Textile and Textile Related Products. The financial statements are presented in Indian Rupee (₹).

Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) Basis Of Preparation Of Financial Statement

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act

The financial statements were authorized for issue by the Company's Board of Directors on 26th May, 2023

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lacs, unless otherwise indicated.

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

(B) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade discount taxes and amounts collected on behalf of third parties. The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the company.

(I) Sales

(i) Domestic sales are recognised when significant risks and rewards are transferred to the buyer as per the contractual terms or on dispatch where such dispatch coincides with transfer of significant risks and rewards to the buyer.

(II) Other Income

(i) Interest Income

Interest income on financial asset is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset 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 instruments.

(C) Inventories Valuation

(i) Finished goods are valued at lower of cost and net realisable value.

(D) Cash And Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(E) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.



(F) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(G) Employee Benefit

(i) Short term employee benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit & Loss for the year in which the related service is rendered.

(H) Earnings Per Share

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

(I) Taxation

(i) The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for the jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, to unused tax losses and unabsorbed depreciation.

Current and deferred tax is recognized in the Statement of Profit and Loss except to the extent it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income.

(ii) Provision for Income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income-tax Act, 1961 and Revised Income Computation and Disclosure Standards (ICDS) of the Income-tax Act, 1961.

(iii) Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

(iv) Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the no tax has been recognised in the books of Accounts.

(J) Provisions and Contingent Liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(K) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months

for the purpose of classification of its assets and liabilities as current and non current.

(L) Financial Instruments

(1) Financial Assets

(i) Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

(ii) Subsequent measurement

(a) Financial assets carried at amortised cost (AC): A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income (FVTOCI): A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(c) Financial assets at fair value through profit or loss (FVTPL): A financial asset which is not classified in any of the above categories are measured at FVTPL.

(iii) Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

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

(a) 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

(b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(II) Financial Liabilities

(i) Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

(ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.



DHANESH FABRICS PRIVATE LIMITED

Balance Sheet as at 31st March 2023

(Amount in Rs.)

	Particulars	Note	As at 31/03/2023	As at 31/03/2022
	ASSETS			
1	<u>Non-current assets</u>			
	a. Property, Plants & Equipment		-	-
	b. Long-term loan and advances		-	-
	c. Deferred Tax Assets		-	-
	Total Non-current Assets		-	-
2	<u>Current Assets</u>			
	a. Inventories	2	13,753,481	17,004,040
	b. <u>Financial Assets</u>			
	i) Trade Receivable	3	7,711,667	8,906,324
	ii) Cash and cash equivalents	4	252,154	1,168,992
	c. Current Tax Assets (net)	5	181,964	44,651
	d. Other Current Assets	6	225,940	653,640
	Total Current Assets		22,125,207	27,777,647
	Total Assets		22,125,207	27,777,647
	EQUITY & LIABILITIES			
1	<u>EQUITY</u>			
	a. Equity Share Capital	7	100,000	100,000
	b. Other Equity	8	10,235,473	9,061,364
	Total Equity		10,335,473	9,161,364
2	<u>LIABILITIES</u>			
	<u>Non-Current Liabilities</u>			
	a. Long Term Borrowings		-	-
	b. Deffered Tax Liabilities		-	-
	Total Non-Current Liabilities		-	-
	<u>Current Liabilities</u>			
	a. <u>Financial Liabilities</u>			
	i) Short Term borrowings	9	7,402,509	7,402,509
	ii) Trade Payable	10	-	-
	(a) Total outstanding dues - MSMEs		4,084,082	10,863,441
	(b) Total outstanding dues- Other than MSMEs		15,797	15,797
	b. Other current liabilities	11	287,346	334,536
	c. Current Tax Liabilities (net)		-	-
	Total Current Liabilities		11,789,734	18,616,283
	Total Equity & Liabilities		22,125,207	27,777,647

Summary of significant accounting policies

1

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

For R H A D & Co.

Chartered Accountants

FR No. 102588W



Dinesh C. Bangar

M.No.. 036247

Place : Mumbai

Date : 26th May 2023

Vinod S. Jhawar

Vinod S. Jhawar

Director

DIN: 00002903

Lalit V. Jhawar

Lalit V. Jhawar

Director

DIN: 06418486



DHANESH FABRICS PRIVATE LIMITED

Statement of Profit & Loss for the Year ended 31st March 2023

(Amount in Rs.)

		Note No	For the year ended 31st March 2023	For the year ended 31st March 2022
Income:				
1 (a) Revenue from operations		12	59,081,147	44,992,394
2 (b) Other Income		13	83,718	10,510
Total Income			59,164,865	45,002,904
Expenses:				
(a) Purchase of stock in Trade		14	34,895,027	34,987,549
(b) Changes in Inventories of Stock in Trade		15	3,250,558	(5,287,664)
(c) Employee benefits expenses		16	2,753,550	2,363,885
(d) Finance costs		17	982,865	473
(e) Depreciation			-	-
(f) Other Expenses		18	15,777,128	11,874,397
Total Expenses			57,659,129	43,938,640
4 Profit/(Loss) before Exceptional Items & Taxes			1,505,736	1,064,264
5 Exceptional Items			-	-
6 Profit/ (Loss) before Taxes			1,505,736	1,064,264
7 Tax Expense				
(a) Current Tax			378,965	267,850
(b) Deferred Tax			-	-
(c) Excess or Short Provision of Income Tax Earlier years			(47,337)	(3,504)
Net Tax Expense			331,628	264,346
8 Profit/(Loss) for the year			1,174,109	799,918
9 Other comprehensive income				
- Items that will not be reclassified to profit or loss			-	-
- Income tax relating to items that will not be reclassified to profit or loss			-	-
- Items that will be reclassified to profit or loss			-	-
- Income tax relating to items that will be reclassified to profit or loss			-	-
Total Other comprehensive income			-	-
10 Total comprehensive income for the year			1,174,109	799,918
11 Earning per equity share (Face Value Rs.10/- each)				
(a) Basic			117.41	79.99
(b) Diluted			117.41	79.99

Summary of significant accounting policies

The accompanying notes are an integral part of these financial statements

As per our report of even date

For R H A D & Co.

Chartered Accountants

FR No. 102588W

(Signature)

Dinesh C. Bangar

M. No.. 036247

Place : Mumbai

Date : 26th May 2023



1

For and on behalf of the Board of Directors

(Signature)

Vinod S. Jhawar

Director

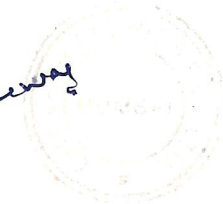
DIN: 00002903

(Signature)

Lalit V. Jhawar

Director

DIN: 06418486



DHANESH FABRICS PRIVATE LIMITED
Cash Flow Statement for the year ended 31st March 2023

Particulars	For the Year Ended		For the Year Ended	
	31 st March 2023		31 st March 2022	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		1,505,736		1,064,264
<u>Adjustments for:</u>				
Depreciation and amortisation	-		-	
(Profit) (-) Loss (+) on sale / write off of assets	-		-	
Excess/Short IT Provision written back/off	47,337		3,504	
Finance costs	982,865		473	
Operating profit / (loss) before working capital changes		2,535,939		1,068,241
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories (increase / decrease)	3,250,558		(5,287,663)	
Trade and othe receivables	1,194,657		2,870,592	
Other current assets	290,387		(679,534)	
Other Current Liabilities	(47,190)		149,964	
Trade and other Payables	(6,779,359)		2,704,062	
Cash generated from operations		(2,090,947)		(242,579)
		444,992		825,661
Net income tax (paid) / refunds		378,965		267,850
Net cash flow from / (used in) operating activities (A)		66,027		557,811
B. Cash flow from investing activities				
Purchase of fixed assets & sale (net off)	-	-	-	-
Sale of fixed assets	-	-	-	-
Long Term Liabilities	-	-	-	-
Long term Provisions	-	-	-	-
Net cash flow from / (used in) investing activities (B)		-		-
C. Cash flow from financing activities				
Issue of equity shares	-	-	-	-
Repayment of long-term borrowings	-	-	-	-
Net increase / (decrease) in working capital borrowings	-	-	-	-
Finance cost	(982,865)		(473)	
Net cash flow from / (used in) financing activities (C)		(982,865)		(473)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(916,838)		557,339
Cash and cash equivalents at the beginning of the year		1,168,992		611,653
Cash and cash equivalents at the end of the year		252,154		1,168,992

Summary of significant accounting policies

1

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

For R H A D & Co.

Chartered Accountants

FR No. 102588W

 Dinesh C Bangar

Partner

M. No.. 036247

Place : Mumbai

Date : 26th May 2023





Vinod S. Jhawar

Director

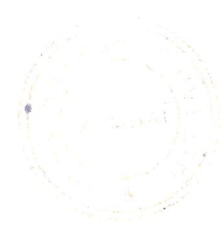
DIN: 00002903



Lalit V. Jhawar

Director

DIN: 06418486



DHANESH FABRICS PRIVATE LIMITED
Notes to the Financial Statements as at 31st March 2023

(Amount in Rs.)

	Particulars	As at 31.03.2023	As at 31.03.2022
2	INVENTORIES		
	Stock of Cloth	13,753,481	17,004,040
	Total	13,753,481	17,004,040
3	TRADE RECEIVABLES	As at 31.03.2023	As at 31.03.2022
	A) Undisputed Trade Receivables- Considered Good		
	Less than 6 months	7,545,849	8,355,748
	6 months - 1 year	1,940	18,042
	1-2 year	62,626	14,959
	2-3 year	7,419	489,246
	More than 3 year	93,833	28,330
	B) Undisputed Trade Receivables- Considered Doubtful	-	-
	C) Disputed Trade Receivables- Considered Good	-	-
	D) Disputed Trade Receivables- Considered Doubtful	-	-
	Total	7,711,667	8,906,324
4	CASH AND BANK BALANCES	As at 31.03.2023	As at 31.03.2022
	Cash Balance	46,376	20,495
	Balance with Bank	205,778	1,148,497
	Total	252,154	1,168,992
5	CURRENT TAX(ASSETS)	As at 31.03.2023	As at 31.03.2022
	Advance Tax for the Year	525,000	300,000
	TDS Receivable for the Year	24,704	11,732
	TCS Receivable for the Year	11,225	769
	Less: Provision for Income Tax FY 2020-21	(378,965)	(267,850)
	Total	181,964	44,651
6	OTHER CURRENT ASSETS	As at 31.03.2023	As at 31.03.2022
	GST Receivable	225,940	353,640
	Loan to Staff Receivable	-	300,000
	Total	225,940	653,640
7	EQUITY SHARE CAPITAL	As at 31.03.2023	As at 31.03.2022
	Authorised		
	10000 Equity Shares of Rs. 10/- each	100,000	100,000
	(Previous year 10000 Equity Shares of Rs.10/-each		
	Issued,Subscribed & Paid up	100,000	100,000
	10000 Equity Shares of Rs. 10/- each fully paid up in cash		
	(Previous year 10000 Equity Shares of Rs.10/-each		
	7.1 The details of Shares held by Promoters	No.of Shares	%
	Dhanlaxmi Fabrics Ltd. (Holding Company)	9999	99.99
	7.2 The details of Shareholders holding more than 5% Shares	No.of Shares	%
	Dhanlaxmi Fabrics Ltd. (Holding Company)	9999	99.99
8	RESERVES AND SURPLUS	As at 31.03.2023	As at 31.03.2022
	Profit & Loss A/c		
	As per last Balance sheet	9,061,364	8,261,446
	Add: Profit for the year	1,174,109	799,918
	Total	10,235,473	9,061,364

9	Unsecured Loans Dhanlaxmi Fabrics Ltd	As at 31.03.2023	As at 31.03.2022
			7,402,509
	Total	7,402,509	7,402,509
10 TRADE PAYABLE			
		As at 31.03.2023	As at 31.03.2022
10	A) Undisputed Dues- Others		
	Less than 1 year	-	-
	1-2 year	-	15,797
	2-3 year	15,797	-
	More than 3 year	-	-
	B) Undisputed Dues- MSME		
	Less than 1 year	4,084,082	10,863,441
	1-2 year	-	-
	2-3 year	-	-
	More than 3 year	-	-
	C) Disputed Dues- Others	-	-
	D) Disputed Dues- MSME	-	-
	Total	4,099,879	10,879,238
10.1 MSME DISCLOSURE			
	1 Principal amount not due and remaining unpaid as on 31.3.2023	1,260,548	10,510,649
	2 Principal amount due and remaining unpaid as on 31.03.2023	2,823,534	352,792
	3 Interest due on (1) above and the unpaid interest	-	-
	4 Interest due and payable for the period of delay other than (3) above	-	-
10.2	Company has not provided for interest on principal amount which was due and remaining unpaid as on 31.03.2023 exceeding stipulated time.		
11 OTHER CURRENT LIABILITIES			
		As at 31.03.2023	As at 31.03.2022
	Salary Payable	50,000	245,300
	TDS Payable	125,952	44,236
	Advance from Customers	24,770	-
	Outstanding Expenses	86,624	45,000
	Total	287,346	334,536



DHANESH FABRICS PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31st March 2023

(Amount in Rs.)

	Particulars	For the year ended	
		31.03.2023	31.03.2022
12	REVENUE FROM OPERATIONS		
	Net Cloth sales	59,081,147	44,992,394
	Total	59,081,147	44,992,394
13	OTHER INCOME	31.03.2023	31.03.2022
	Sundry Balances Written off	79,813	10,244
	Interest on IT Refund	3,905	266
	Total	83,718	10,510
14	PURCHASE OF STOCK IN TRADE	31.03.2023	31.03.2022
	Purchases of Cloth	34,895,027	34,987,549
	Total	34,895,027	34,987,549
15	CHANGES IN INVENTORIES OF STOCK IN TRADE	31.03.2023	31.03.2022
	Opening Stock	17,004,040	11,716,376
	Closing Stock	13,753,481	17,004,040
	Total	3,250,558	(5,287,664)
16	EMPLOYEE BENEFITS EXPENSES	31.03.2023	31.03.2022
	Salary & Wages	2,753,550	2,363,885
	Total	2,753,550	2,363,885
17	FINANCE COST	31.03.2023	31.03.2022
	Interest Expenses	982,865	473
	Total	982,865	473
18	OTHER EXPENSES	31.03.2023	31.03.2022
i)	MANUFACTURING EXPENSES		
	Grey Checking Charges	57,823	57,562
	Job Work Charges	15,112,688	10,934,735
	Printing & Engraving	25,850	29,975
	Sampling Expenses	42,120	-
	Transportation Charges	268,101	151,270
	Total (i)	15,506,582	11,173,542
ii)	OTHER EXPENSES		
	Travelling Expenses	-	7,479
	Conveyance Expenses	78,166	65,210
	ROC Filling Fees	1,228	921
	Commission & Brokerage	43,815	40,235
	Rent, Rates & Taxes	30,000	30,000
	Courier Charges	29,563	40,693
	General Expenses	20,200	15,850
	Legal & Professional Fees	50,000	50,000
	Inspection charges	-	15,496
	Bad Debts	17,574	434,970
	Total (ii)	270,546	700,854
	Total (i+ii)	15,777,128	11,874,396

19 Related Party Disclosures:

A) List of Related Parties:

Key Management Personnel

- 1 Vinod S Jhawar
- 2 Lalit V. Jhawar

Relationship
Director
Director

Enterprises over which significant influence is exercised by key management personnel

- 1) Dhanlaxmi Fabrics Ltd Holding Company
- 2) Promtech Impex Pvt Ltd Common Director

B) Related parties transactions during the year with:

Particulars	Key Management Personnel/Relative of Director		Enterprises over which significant influence is exercised by KMP	
	FY 2022-23*	FY 2021-22*	FY 2022-23*	FY 2021-22*
Rent paid :				
Dhanlaxmi Fabrics Ltd	-	-	30,000	30,000
Job Charges paid:				
Dhanlaxmi Fabrics Ltd	-	-	15,080,617	10,262,219
Sales:				
Dhanlaxmi Fabrics Ltd	-	-	825,129	-
Purchases:				
Dhanlaxmi Fabrics Ltd	-	-	4,964,114	6,883,870
Director Remuneration Given:				
Lalit Vinod Jhawar	1,800,000	1,080,000	-	-
Interest Paid				
Dhanlaxmi Fabrics Ltd	-	-	982,712	-
Courier Charges Paid :				
Dhanlaxmi Fabrics Ltd	-	-	27,276	-
Year end balance-Credit:				
Dhanlaxmi Fabrics Ltd	-	-	10,998,214	9,215,356
Year end balance-Debit :				
Dhanlaxmi Fabrics Ltd	-	-	-	-

* Exclusive of GST.

20 Contingent Liabilities

There is no contingent liabilities as on 31.03.2023

21 Information pursuant to Para 5(viii) of the General Instructions to the Statement of Profit and Loss

(a). Expenditure in foreign currency (on accrual basis):

Particulars	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Travelling Expenses	NIL	NIL
Others	NIL	NIL
Total	NIL	NIL

(b). Earnings in foreign currency (on accrual basis):

Particulars	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Exports on F.O.B Basis	NIL	NIL
Others	NIL	NIL
Total	NIL	NIL

22 AUDITORS REMUNERATION

Particulars	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Audit Fees	25,000	25,000
Total	25,000	25,000

* Exclusive of GST.

23 In the opinion of the board of Directors Current Assets are approximately of the value as stated if realized in the ordinary course of business. The Provisions for all known liabilities is adequate & not in excess of the amount reasonable necessary.

24 Disclosure of Financial Ratios:

Particulars	Numerator	Denominator	31st March 2023	31st March 2022	% of Variance
Current Ratio	22,125,207	11,789,734	1.88	1.49	25.77
Debt-Equity Ratio	7,402,509	10,335,473	0.72	0.81	-11.36
Return on Equity Ratio	1,174,109	9,748,419	0.12	0.09	31.92
Inventory Turnover Ratio	59,081,147	15,378,760	3.84	3.13	22.62
Trade Receivable Turnover Ratio	59,081,147	8,308,996	7.11	4.35	63.44
Trade Payable Turnover Ratio	34,895,027	7,489,558	4.66	3.67	26.87
Net Capital Turnover Ratio	59,081,147	10,335,473	5.72	4.91	16.40
Net Profit Ratio	1,174,109	59,081,147	0.02	0.02	11.78
Return on Capital Employed	2,488,601	17,737,982	0.14	0.06	118.26

Note.

1. Sharp Decrease in Trade Payable led to increase Current Ratio
2. Increase in Net Profit led to increase Return on Equity Ratio
3. Increase turnover led to increase Trade Receivable Turnover Ratio
4. Decrease Trade Payable led to increase Trade Payable Turnover Ratio
5. Sharp increase in Finance cost led to increase Return on capital employed Ratio
6. Financial Ratios are disclosed to the extent applicable to the Company.

25 Additional Regulatory Information in Schedule III

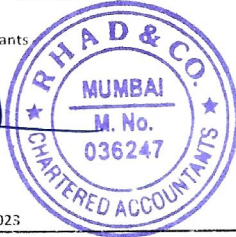
- (i) The Company has not given any Loans or advances to specified persons during the year
- (ii) The Company has not been declared as wilful defaulter by any bank or Financial institution or other lender
- (iii) The Company does not have any transactions or relationship with Struck off Companies
- (iv) There are no Scheme of Arrangements as on March 31, 2023
- (v) Additional Regulatory Information detailed in clause 6L of General Instructions given in Part I of Division II of the Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.

26 Previous year's figure have been regrouped/reclassified wherever necessary to correspond with the current years classification/disclosures

As per our report of even date

For R H A D & Co.
Chartered Accountants
FR No. 102538W

Dinesh C Bangar
M. No.: 036247
Place : Mumbai
Date : 26th May 2023



For and on behalf of the Board of Directors

Vinod S. Jhavar
Vinod S. Jhavar
Director
DIN: 00007903
Lalit V. Jhavar
Director
DIN: 06418486

NOTE NO. 1

Company Overview

The Company **Dhanesh Fabrics Private Limited** is an existing company, incorporated on **09th July 1999** under the provisions of the Indian Companies Act, 1956 and deemed to exist within the purview of the Companies Act, 2013, having its registered office at **Bhopar Village, Manpada Road, Dombivali East Dist Thana MH 421204 India.**

The Company's main activity is Trading of Textile and Textile Related Products. The financial statements are presented in Indian Rupee (₹).

Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) Basis Of Preparation Of Financial Statement

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act

The financial statements were authorized for issue by the Company's Board of Directors on 26th May, 2023

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lacs, unless otherwise indicated.

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

(B) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade discount taxes and amounts collected on behalf of third parties. The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the company.

(I) Sales

(i) Domestic sales are recognised when significant risks and rewards are transferred to the buyer as per the contractual terms or on dispatch where such dispatch coincides with transfer of significant risks and rewards to the buyer.

(II) Other Income

(i) Interest Income

Interest income on financial asset is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset 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 instruments.

(C) Inventories Valuation

(i) Finished goods are valued at lower of cost and net realisable value.

(D) Cash And Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(E) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(F) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(G) Employee Benefit

(i) Short term employee benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit & Loss for the year in which the related service is rendered.

(H) Earnings Per Share

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

(I) Taxation

(i) The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for the jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, to unused tax losses and unabsorbed depreciation. Current and deferred tax is recognized in the Statement of Profit and Loss except to the extent it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income.

(ii) Provision for Income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income-tax Act, 1961 and Revised Income Computation and Disclosure Standards (ICDS) of the Income-tax Act, 1961.

(iii) Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

(iv) Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the no tax has been recognised in the books of Accounts.

(J) Provisions and Contingent Liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(K) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months

for the purpose of classification of its assets and liabilities as current and non current.

(L) Financial Instruments

(I) Financial Assets

(i) Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

(ii) Subsequent measurement

(a) Financial assets carried at amortised cost (AC): A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income (FVTOCI): A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(c) Financial assets at fair value through profit or loss (FVTPL): A financial asset which is not classified in any of the above categories are measured at FVTPL.

(iii) Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

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

(a) 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

(b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(II) Financial Liabilities

(i) Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

(ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.