

Date: September 06, 2022.

To  
**BSE LIMITED,**  
1st Floor, P.J. Towers,  
Dalal Street,  
Mumbai - 400 001

**Scrip Code:** 543244

**Subject:** 3<sup>rd</sup> Annual Report of the Company for the Financial Year ended March 31, 2022  
**Reference:** Regulation 34 of SEBI (LODR) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and amendments thereof, Shine Fashions (India) Limited hereby submits the Annual Report of the Company for the Financial Year 2021-22 along with Notice convening the 3<sup>rd</sup> Annual General Meeting which will be held on Friday, September 30, 2022 at 11:30 am at its Registered Office.

Kindly take the same on your records.

Thanking you.  
Yours faithfully

For Shine Fashions (India) Limited  
For **SHINE FASHIONS (INDIA) LTD.**

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**Anish Anil Mehta**  
Managing Director

**Director**

**NOTICE OF 3<sup>RD</sup> ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT THE 3<sup>RD</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF SHINE FASHIONS (INDIA) LIMITED WILL BE HELD ON FRIDAY, 30<sup>TH</sup> DAY OF SEPTEMBER, 2022 AT 11.30 A.M. IST AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT OFFICE NO. 605, 6<sup>TH</sup> FLOOR, MARATHON CHAMBER, P.K ROAD, PANCH RASTA, MULUND WEST MUMBAI CITY 400080 MAHARASHTRA INDIA

**Ordinary Business**

1. To consider and adopt, the Audited Financial Statements for the financial year ended March 31, 2022 and Auditor's thereon and Board's Report for the financial year 2021-22.

"RESOLVED THAT the Audited Balance Sheet as at 31st March, 2022 and Statement of Profit and Loss for the year ended on that date together with Notes, Schedules and Cash Flow Statement, Board's Report (including Report Management Discussion and Analysis), the Report of Statutory Auditors and the Report of the Secretarial Auditors thereon placed before the member of the company, is be and are hereby received, approved and adopted."

RESOLVED FURTHER THAT Board of the Directors of the Company and/or Company secretary of the company, be and is hereby severally authorized to sign and submit e-form and all relevant e-forms, documents, in respect of aforesaid resolution with the Registrar of Companies and to do all such acts, deeds and things as may be necessary or expedient in their entire discretion, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

2. To re-appoint Director Mr. Anish Anil Mehta (DIN: 08560153) who retires by rotation at the Annual General Meeting and being eligible has offered himself for re-appointment.

"RESOLVED THAT Mr. Anish Anil Mehta (DIN: 08560153), Director of the Company who retires by rotation and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a director of the Company whose period of office is liable to determination by retirement of directors by rotation" as per Section 152(6) of the Companies Act, 2013."

RESOLVED FURTHER THAT Board of the Directors of the Company and/or Company secretary of the company, be and is hereby severally authorized to sign and submit e-form and all relevant e-forms, documents, in respect of

aforesaid resolution with the Registrar of Companies and to do all such acts, deeds and things as may be necessary or expedient in their entire discretion, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

**3. To consider and if thought fit to approve the Related party Transactions with the Subsidiary company.**

**"RESOLVED THAT** pursuant to Section 188 of the Companies Act, 2013 and the rules and regulations made thereunder including the Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and any other applicable provisions as amended from time to time, approval of Shareholders of the company be and is hereby accorded to the Company to enter into an agreement with Shinetex Industries Private Limited ("Related Party") for providing processing of materials service on such terms and conditions as briefly detailed in the explanatory statement annexed hereto.

**RESOLVED FURTHER THAT** Board of the Directors of the Company and/or Company secretary of the company, be and is hereby severally authorized to sign and submit e-form and all relevant e-forms, documents, in respect of aforesaid resolution with the Registrar of Companies and to do all such acts, deeds and things as may be necessary or expedient in their entire discretion, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

By Order of the Board  
For Shine Fashions (India) Limited  
**For SHINE FASHIONS (INDIA) LTD.**

*Mehta: A A*

**Mr. Anish Mehta**                      **Director**  
**Managing Director**  
**DIN: 08560153**

**Registered Office:**  
Office No. 605, 6<sup>th</sup> Floor, Marathon Chamber,  
P.K Road, Panch Rasta, Mulund West  
Mumbai City 400080 Maharashtra India

Email: [amfabricsmumbai@gmail.com](mailto:amfabricsmumbai@gmail.com)  
Website: <http://amfabrics.in/>

Date: 07/09/2022  
Place: Mulund, Mumbai

## NOTES

1. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Rule 20 of Companies (Management and Administration) Rules, 2014, and Regulation 44 of the Listing Regulation (Including any Statutory Modification or re-enactment thereof for the time being in force), the Company is not providing e-Voting facility as per Provisions of Companies Act, 2013 as it is not mandatory for SME listed companies to provide e-voting facility.
2. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the special business under item no. 3 of the accompanying Notice, is given in the Annexure-1.
3. A member entitled to attend and vote at the meeting is entitled to appoint another person as a proxy to attend and vote at the meeting on his behalf and such proxy need not be a member of the company.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Proxies in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.
6. In terms of Section 105 of the Companies Act, 2013 read with Rule 19 of the Companies (Management and Administration) Rules, 2014 a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.
7. Corporate Members intending to send their authorized representative(s) to attend the Annual General Meeting are requested to forward a certified copy of Board Resolution authorizing their representative to attend and vote at the Annual General Meeting either to the Company in advance or submit the same at the venue of the General Meeting.
8. At the ensuing Annual General Meeting, Mr. Anish Anil Wenta is liable to retire by rotation and being eligible, offer themselves for re-appointment.
9. Details of Directors seeking appointment / reappointment at the 5<sup>th</sup> Annual General Meeting in pursuance of provisions of the Companies Act, 2013 & Regulation 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are given as an Annexure to the Notice.
10. As per Section 72 of the Act, members are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nomination are requested to send their request in Form SH-13 for

nomination and Form SH-14 for cancellation/ variation as the case may be to the RTA.

11. In compliance with the aforementioned MCA Circulars and SEBI Circular dated 12th May, 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 and of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com).
12. Members to whom hard copy of Annual Reports have been provided are requested to bring their copies of the Annual Report to the Meeting. The copies of Annual Reports shall not be made available at the venue of the Meeting.
13. Members (Physical / Demat) who have not registered their email addresses with the company can get the same registered with the company by requesting in member updation form by sending an email to [amfabricsmumbai@gmail.com](mailto:amfabricsmumbai@gmail.com). Please submit duly filled and signed member updation form to the abovementioned email. Upon verification of the Form the email will be registered with the Company.
14. Members seeking any information with regard to any matter to be placed at the AGM, are requested to write to the Company through an email i.e. [amfabricsmumbai@gmail.com](mailto:amfabricsmumbai@gmail.com).
15. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to [amfabricsmumbai@gmail.com](mailto:amfabricsmumbai@gmail.com).
16. The Annual Report of your Company for the Financial Year 2021-22 and notice of Annual General Meeting is displayed on the website of the Company.
17. Members are requested to register / update their E-mail address with the Company to receive Annual Report and other communication electronically.
18. To support the 'Green Initiative', the members who have not registered their email addresses are requested to register the same with RTA/ Depositories.
19. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on 17th September, 2022 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes.

20. A person who is not a member on the cut-off date should accordingly treat this Notice as for information purposes only.
21. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the administrative office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
22. Amit Dharmani & Associates have been appointed as the Scrutiniser to scrutinise the voting process in a fair and transparent manner. The Scrutiniser shall immediately after conclusion of voting at meeting, unblock the votes in the presence of at least 2 witnesses not in the employment of the Company and make a Scrutiniser's Report of the votes cast in favor or against, if any, and forward it to the Chairman of the Company.

Annexure to the Notice of the 3<sup>rd</sup> Annual General Meeting

**ANNEXURE 1 - Statement pursuant to Section 102 (1) of the Companies Act, 2013**

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 3 of the accompanying Notice dated 07<sup>th</sup> September, 2022.

**Item No. 3:**

Your Company is interested in receiving the services of processing of materials from M/s. Shinetex Industries Private Limited. The said work will be completed by the Subsidiary company within 30 days from the date of materials received.

The disclosures, in relation to the said related party transaction, as required to be given under the provisions of the Companies Act, 2013 and rules made thereunder are as under:

Name of Related Party	Shinetex Industries Private Limited
Name of Director or KMP who is related, if any	Anil Mehta, Director Anish Mehta, Director
Nature of relationship	Subsidiary Company
Nature, material terms, monetary value and particulars of the contract or arrangements	1,00,000 mtrs a month for processing of materials to be received within 30 days from the date of materials received
Other important information	-

The Directors, KMP and their relatives of the Company may be deemed to be concerned or interested in the above said resolution to the extent of their respective shareholdings, if any, in the company to the same extent as that of every other member of the Company.

The Board of Directors recommends passing of the proposed resolution in item No.3 as the same is in the best interest of the company and the investors.

By Order of the Board  
For Shine Fashions (India) Limited  
For **SHINE FASHIONS (INDIA) LTD.**  
*mehta*

Mr. Anish Mehta  
Director  
DIN: 08560153

Registered Office:  
Office No. 605, 6<sup>th</sup> Floor, Marathon Chamber,  
P.K Road, Panch Rasta, Mulund West

Mumbai City 400080 Maharashtra India

Email: [amfabricsmumbai@gmail.com](mailto:amfabricsmumbai@gmail.com)

Website: <http://amfabrics.in/>

Date: 07/09/2022

Place: Mulund, Mumbai



# ROUTE MAP



**ATTENDANCE SLIP**

**3<sup>rd</sup> Annual General Meeting, Friday 30<sup>th</sup> Day of September, 2022 at 11.30 AM**

Name of the Shareholder

Regd. Folio No. \_\_\_\_\_/

DP ID \_\_\_\_\_

Client ID/Ben.

A/C \_\_\_\_\_

No. of shares held \_\_\_\_\_

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 3<sup>rd</sup> Annual General Meeting of the Company on Friday 30<sup>th</sup> Day of September, 2022 at 11.30 AM at registered office of the Company situated at Office No. 605, 6<sup>th</sup> Floor, Marathon Chamber, P.K. Road, Panch Rasta, Mulund West Mumbai City 400080 Maharashtra India

Member's/Proxy's name

in Block Letters

Member's/Proxy's Signature

Note: Please fill this attendance slip and hand it over at the entrance of the hall.

**Particulars of Directors seeking Appointment / Reappointment at the ensuing Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Secretarial Standards-2 prescribed for General Meetings:**

Name of Director	Mr. Anish Anil Menta
Type	Director
Date of Birth	02/11/1990
Age	32 years
Date of Appointment as Director	11/09/2019
Date of Appointment as Managing Director	02/03/2020
No. of Equity Shares held in company as on 31st March, 2022	400050
Educational Qualification & Expertise in Specific Functional area	T.Y. B.Com
Experience	More than 10 years of experience
Directorships held in other Companies	Shinetex Industries Private Limited
Particulars of Committee Chairmanship / Membership held in other Companies	NA
Relationship with other Directors inter-se	Mr. Anil Zaverchand Mehta – Father
No. of board meetings attended during the financial year 2021-22	Six (6)
Terms and Conditions	There is no change in the terms and condition.
Remuneration Sought to be paid	1200000
Remuneration last paid	1200000



## Board's Report

Dear Members

The Board of Directors present the Company's 3<sup>rd</sup> Annual Report and the Company's audited financial statements for the financial year ended March 31, 2022.

### Financial Results

The Company's financial performance for the year ended March 31, 2022 is summarized below:

Particulars	2021-22	2020-21
	(Rupees in Lacs)	(Rupees in Lacs)
Income	1,220.39	693.08
Less: Expenses	-1167.62	-666.91
<b>Profit/ (Loss) before tax</b>	<b>52.77</b>	<b>26.17</b>
Less: Current tax	-13.5	-6.9
Less: Deferred tax	-0.01	-2.68

Exception Income	-	-
Exception expenditure	-	-
<b>Profit after Tax</b>	<b>39.29</b>	<b>22.95</b>

### Appropriation

	In Rs.	
Interim Dividend	-	-
Final Dividend	-	-
Tax on distribution of dividend	-	-
Transfer to General Reserve	-	-
Balance carried to Balance sheet	-	-

## **Operations**

The Company continues to be engaged in the activities pertaining to importing, supplying and trading of non-woven interlining fabrics, woven fusible interlinings and microdot fusible interlinings.

There was no change in the nature of the business of the Company, during the year under review.

## **Dividend**

With a view to conserve resources, your Board of Directors have thought it prudent not to recommend any dividend for the financial year under review.

## **Unpaid Dividend & Investor Education & Protection Fund IEPF**

Your Company has not declared dividend till date and thus there was no unpaid dividend hence it was not required to transfer any amount to the Investor Education & Protection Fund (IEPF)

## **Transfer to reserves:**

The Company has not transferred any amount to General Reserve.

## **Details of material changes from the end of the financial year**

There are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this Financial Statements relate and the date of this Report.

However, the outbreak of corona virus (COVID-19) pandemic globally and in India had cause significant disturbance and slowdown of economic activity. Operations and revenue have been impacted due to COVID-19.

In view of recent surge in Covid-19 cases few states re-enforced lockdown like restrictions for a short period which currently is not expected to have any significant impact on company's operations/ results. The company continues to remain vigilant and cautious in this regard.

## **Report on Performance of Subsidiaries, Associates and Joint Venture Companies**

During the year under review, your Company had 1 Wholly owned subsidiary but did not have any Associate Company or Joint Venture and thus AOC-1 is annexed to the report in **Annexure A**.

## **Deposits**

Your Company has neither accepted nor renewed any deposits during the year nor has any outstanding deposits in terms of Section 73 to 76 of the Companies Act, 2013.

### **Share Capital**

During the year 2021-22 the Shares of the company were sub-divided from the existing nominal value of ofRs. 10/- (Rupees Ten Only) each fully paid up into 2 (Two) equity shares of Rs. 5/- (Rupee Five only) each fully paid up, after seeking approval from members in the last AGM held on 30/09/2021.

The Company has neither issued shares with differential voting rights nor granted any stock options or issue any sweat equity or issued any bonus shares.

Further, the Company has not bought back any of its securities during the year under review and hence no details / information invited in this respect.

### **Loans from Directors or Directors' relatives**

During the financial year under review, the Company has not borrowed any amount(s) from Directors.

### **Contracts or arrangement with related parties**

All Related Party Transactions entered into by Company during the Financial Year 2021-22 were on arm's length basis and in the ordinary course of business and were at arm's length. There are no material significant Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other Designated Persons which may have a potential conflict with the interest of the Company. Prior approval of the Audit Committee and the Board of Directors of the Company was obtained for all the Related Party Transactions. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 was not required and thus not attached. Attention of Shareholders is also drawn to the disclosure of transactions with related parties as set out in Notes of Financial Statements, forming part of the Annual Report.

There were no such transactions with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity.

### **Conservation of, Energy, Technology absorption and Foreign Exchange Earnings and Outgo**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in **Annexure B** which forms part of this Report.

### **Annual Return and Management Discussion & Analysis Report**

The Company has placed its Annual Return, referred to in Section 92(3) in the format

on the said web-address: -[http:// www.amfabrics.in](http://www.amfabrics.in)

Further, pursuant to Regulation 34(3) read with schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 company has also attached its Management Discussion and Analysis report for the financial year ended March 31, 2022 as **Annexure C**.

#### **Loan, Guarantees or Investments under section 186 of the Companies Act, 2013**

There were no loans, guarantees and investments covered under Section 186 of the Companies Act 2013 provided during the financial year under review.

#### **Disclosure of Internal Financial Controls and their adequacy**

Your Company maintains adequate internal control system and procedure commensurate with its size and nature of operations. The internal control system is designated to provide a reasonable assurance over reliability in financial reporting, ensure appropriate authorization of transaction, safeguarding the assets of the Company and prevent misuse/losses and legal compliance.

The internal control system includes a well-defined delegation of authority and a comprehensive Management Information System coupled with quarterly reviews of operational and financial performance, a well-structured budgeting process and Internal Audit. The Internal Audit reports are periodically reviewed by the management and the Audit Committee and necessary improvements are undertaken, if required.

#### **Corporate Insolvency Resolution Process Initiated Under the Insolvency and Bankruptcy Code, 2016 (IBC):**

During the year under review, there were no instances.

#### **Difference of Valuation at the time of Availing Loan vs. at the time of O.T.S:**

During the year under review, there were no instances of one-time settlement with any Bank or Financial Institution.

#### **Board of Director's & Key Managerial Personnel Change in Directorship & Key Managerial Personnel**

There has been no change in the Directorship of the Company during the Financial Year under review.

#### **Retirement by Rotation**

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Anish



Anil Mehta will retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board of directors recommended his re-appointment for the member's approval.

## Disclosures

### Meeting of Board

Six Meetings of the Board of Directors were held during the year. The particulars of the meetings held and attended by each Director are detailed below.

Sr. No.	Date of meeting	Board Strength	No. of Directors Present
1.	30.06.2021	6	6
2.	25.08.2021	6	6
3.	08.09.2021	6	6
4.	14.11.2021	6	6
5.	17.01.2022	6	6
6.	22.03.2022	6	6

### Board Leadership

At Shine Fashions (India) Limited, it is our belief that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. The Board is committed to the goal of sustainably elevating the Company's value creation. The Company has defined guidelines and an established framework for the meetings of the Board and its Committees. These guidelines seek to systematize the decision-making process at the meetings of the Board and its Committees in an informed and efficient manner.

## Board Composition and Category of Directors

The Company's policy is to maintain an optimum combination of Executive and Non-Executive Directors.

The composition of the Board, Category, DIN and shareholding of Directors are as follows:

Sr. No	Name of the Director	Category	Director Identification Number (DIN)	No. of Equity Shares held as on March 31, 2022
1	Anil Zaverchand Mehta	Director	08560132	299700
2	Anish Anil Mehta	Managing Director	08560153	400050
3	Purvi Anil Sanghvi	Whole-time Director & CEO	08560154	50
4	Nikita Dunganishi Mange	Director	08712794	-
5	Priyank Ramesh Doshi	Director	08712814	-
6	Nikita Nikhil Rathod	Director	08728821	-

### \*Promoter Director

- Mr. Anil Zaverchand Mehta and Mr. Anish Anil Mehta and Ms. Purvi Anil Sanghvi are relatives.
- None of the other Directors is related to any other Director on the Board.

### Executive Directors' Profile

A brief resume of the Directors, nature of their expertise in specific functional areas etc. are available on the website of the Company.

### Familiarization Programmes for Board Members

The Board members are provided with necessary documents / brochures, reports and

internal policies to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company including Finance, Sales, Marketing of the Company's major business segments, practices relating to Human Resources, overview of business operations of major subsidiaries, global business environment, business strategy and risks involved.

Monthly / quarterly updates on relevant statutory, regulatory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors.

### **Secretarial Standards**

The Company has followed the applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

### **Declaration of Independent Director**

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There has been no change in the circumstances affecting their status as Independent Directors of the Company during the year under review. In the opinion of the Board, the Independent Directors possess appropriate balance of skills, experience and knowledge, as required for conducting the affairs of the Company.

### **Audit Committee**

The Audit Committee comprises of

1. Mr. Priyank Ramesh Doshi, Chairman,
2. Ms. Nikita Dundarshi Mange, Independent Director,
3. Mrs. Nikita Nikhil Rathod, Independent Director and
4. Ms. Purvi Anil Sanghvi, Whole-time Director.

During the year, all the recommendations made by the Audit Committee were accepted by the Board.

### **Preamble**

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section.

**Terms of reference of Audit Committee:**

The Audit Committee shall have the authority to investigate into any matter that may be prescribed under Company Law for the time being in force and within its terms of reference.

**Role of the Audit Committee, inter-alia, includes the following: -**

- Oversight of the Company's financial reporting processes and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Approval of transactions with related parties and any subsequent modification of such transaction in accordance with the Act read with the Rules made thereunder and the SEBI Regulations.
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the Management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of the internal audit;
- Discussion with the internal auditors on any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with the statutory auditors before the audit commences, about

the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- Looking into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;
- Verifying effective operation and adequacy of internal control systems.

#### Composition of Audit Committee:

Name of Members	Designation	Membership in Committee
Priyank Ramesh Doshi	Independent Director	Chairman
Nikita Dundarshi Mange	Independent Director	Member
Nikita Nikhil Rathod	Independent Director	Member
Purvi Anil Sanghvi	Wholetime Director	Member

The Audit Committee have not met during the financial year ended 31<sup>st</sup> March 2022.

#### Nomination and Remuneration Committee

The Nomination and Remuneration Committee of Directors as constituted by the

Board of Directors of the Company in accordance with the requirements of Section 178 of the Act.

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

#### **Terms of reference of Nomination & Remuneration Committee:**

- Formulating criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board and also criteria for evaluation of performance of the Independent Directors.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- To carry out evaluation of every Director's performance.
- Such other matters as may be delegated by the Board of Directors of the Company; and
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and any other benefits such as Commission, if any, payable to the Non- Executive Directors.
- Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.
- Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

## Composition of Nomination & Remuneration Committee:

Name of Members	Designation	Membership in Committee
Priyank Ramesh Doshi	Independent Director	Member
Nikita Dundarshi Mange	Independent Director	Member
Nikita Nikhil Rathod	Independent Director	Member
Purvi Anil Sanghvi	Whole-time Director	Member

### Attendance Record

The Nomination & Remuneration Committee have not met during the financial year ended 31<sup>st</sup> March 2022.

Major criteria / gist defined in the policy framed for appointment of and payment of remuneration to the Directors of the Company, are as under:

- Minimum Qualification
- Positive Attribute
- Independence
- Experience

Policy is available on Company's website of the Company and can be accessed via the link provided herein [http:// www.amfabrics.in](http://www.amfabrics.in)

### Stakeholders Relationship Committee

During the year under review, pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of the Company has constituted the Stakeholder's

Relationship Committee.

**Terms of reference of Stakeholder's Relationship Committee:**

The scope and terms of reference of the Stakeholder's Relationship Committee have been framed in accordance with the Act.

**Composition of Stakeholder's Relationship Committee:**

Name of Members	Designation	Membership in Committee
Priyank Ramesh Doshi	Independent Director	Member
Nikita Dundarshi Mange	Independent Director	Member
Nikita Nikhil Rathod	Independent Director	Member
Purvi Anil Sanghvi	Whole-time Director	Chairman

**Attendance Record**

The Committee have not met during the financial year ended 31st March 2022.

**Corporate Social Responsibility Committee**

During the year under review, pursuant to Section 135 of the Companies Act, 2013, the provisions of the said sections were not applicable.



### **Risk Management Committee**

The company was not required to form risk management committee for the financial year 2021-22, pursuant to Regulation 21 of SEBI (Listing obligations and disclosure requirements), Regulations 2015 and other applicable provisions thereunder.

### **Vigil Mechanism Policy for the Directors and Employees**

The Board of Directors of the Company has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Board of Directors.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

### **Risk Management Policy**

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision-making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

### **Corporate Governance Report**

The company being SME Listed, is not required to disclose corporate governance report for the financial year 2021-22 as a part of Annual report, pursuant to the provisions of Regulation 15 of SEBI (Listing obligations and disclosure requirements), Regulations 2015.

### **Annual Evaluation of Directors, Committee and Board**

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out an annual performance evaluation of its own performance, and of the directors individually, as well as the evaluation of all the committees i.e., Audit, Nomination and Remuneration, Stakeholders Relationship.

The Board adopted a formal evaluation mechanism for evaluating its performance and as well as that of its committees and individual directors, including the Chairman

of the Board the exercise was carried out by feedback survey from each directors covering Board functioning such as composition of Board and its Committees, experience and competencies, governance issues etc. Separate Exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board who were evaluated on parameters such as attendance, contribution at the meeting etc.

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated.

The same was discussed in the Board meeting at which the performance of the Board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

### **Auditors and Reports**

The matters related to Auditors and their Reports are as under:

#### **Statutory Auditor's Appointment and Auditor's Report**

Pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s THAKUR VAIDYANATH AIYAR & CO., Chartered Accountants, the Statutory Auditors of the Company (FRN: 000038N) having valid peer review certificate issued by Institute of Chartered accountant of India, New Delhi on 31<sup>st</sup> December, 2020.

The notes on financial statements referred to in the Auditors Report are self-explanatory and do not call for any further comments and explanations. The Auditors' Report does not contain any qualification, reservation or adverse remark. No instances of fraud have been reported by the Statutory Auditors of the Company under Section 143(12) of the Companies Act, 2013.

#### **Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors**

There were no qualifications, reservations or adverse remarks made by the Auditors in their Report. The comments by the auditors in their Report read along with information and explanation given in Notes to Accounts are self-explanatory and do not call for further explanation.

#### **Secretarial Audit Report for the year ended 31<sup>st</sup> March 2022**

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from Practicing Company Secretary. M/s. Amit Dharmani & Associates, Practicing Company Secretaries had been appointed to issue Secretarial Audit Report for the financial year 2021-22.

Secretarial Audit Report issued by M/s. Amit Dharmani & Associates, Practicing Company Secretaries in Form MR-3 for the financial year 2021-22 forms part to this report and have been specified in **Annexure D**.

There was one qualification, reservations or adverse remarks made by the Secretarial Auditor in their Report as it was inadvertently missed by the Company.

#### **Reporting of frauds by statutory auditors under section 143(12)**

According to the information and explanations provided, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of the audit.

#### **Details of Fraud**

There were no frauds which are reported to have been committed by Employees or Officers of the Company

#### **Maintenance of Cost Records**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is not required to maintain Cost Records under said Rules.

#### **Other Disclosures**

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

#### **Disclosure of Significant and material orders passed by regulators or courts or tribunal**

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

#### **Code of Conduct for Prevention of Insider Trading**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down the guidelines and procedure to be followed and disclosures to be made while dealing with the shares of the Company. The policy has been formulated to regulate, monitor, and ensure reporting of dealings by employees. The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosures of unpublished price sensitive information and code of conduct for prevention of insider trading is available on the website of the Company.

## **Listing Fees**

The Equity Shares of the Company is listed on BSE Limited and the Company has paid the applicable listing fees to the Stock Exchange till date.

## **Director's Responsibility Statement**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2022, the Board of Directors hereby confirms that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) such accounting policies have been selected and applied consistently and the Directors 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 Company as at 31<sup>st</sup> March, 2022 and of the profit/loss of the Company for that year;
- (c) proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts of the Company have been prepared on a going concern basis;
- (e) the Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively during the year.
- (f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

## **Prevention of Sexual Harassment Committee**

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **Disclosure under section 197(12) of the Companies Act, 2013 and other disclosures as per rule 5 of companies (appointment & remuneration) rules, 2014**

The disclosures as per Rule 5 of Companies (Appointment & Remuneration) Rules, 2014 have been marked as — **Annexure E**. However, as per the provisions of Section 136 of the Act, the annual report is being sent to all the members of the Company excluding the aforesaid information. The said information is available for inspection by the members at the registered office of the Company up to the date of the ensuing Annual General Meeting. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016

There was no instance of one time settlement with any Bank or Financial Institution.

### Acknowledgements and Appreciation

The board take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

For and on behalf of the Board

For SHINE FASHIONS (INDIA) LTD.

*mehta-ansh*  
Anish Anil Mehta **Director**  
Managing Director  
DIN: 08560153

For SHINE FASHIONS (INDIA) LTD.

*mehta-anil*  
Anil Zaverchand Mehta **Director**  
Director  
DIN: 08560132

Date: 06/09/2022

Place: Mulund, Mumbai

Date: 06/09/2022

Place: Mulund, Mumbai

## ANNEXURE A

### 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.	Particulars	Details
1.	Name of the subsidiary	Shinetex Industries Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2022
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4.	Share Capital	100000
5.	Reserves & surplus	142019
6.	Total assets	5933126
7.	Total Liabilities	5933126
8.	Investment	0
9.	Turnover (Gross)	6719528
10.	Profit / (Loss) before taxation	189792
11.	Provision for taxation	0
12.	Profit after taxation	142019
13.	Proposed Dividend	0
14.	% of shareholding	51

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations NIL
- Names of subsidiaries which have been liquidated or sold during the year. NIL

**PART "B": ASSOCIATES AND JOINT VENTURES**

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

There are no Associate or Joint Venture Companies.

1. Names of associates or joint ventures which are yet to commence operations. NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year. NIL

For and on behalf of the Board  
For SHINE FASHIONS (INDIA) LTD.

*mehta. n. r.*  
Anish Anil Mehta Director  
Managing Director  
DIN: 08560153

Date: 06/09/2022  
Place: Mulund, Mumbai

For SHINE FASHIONS (INDIA) LTD.

*mehta. n. r.*  
Anil Zaverchand Mehta Director  
Director  
DIN: 08560132

Date: 06/09/2022  
Place: Mulund, Mumbai

## ANNEXURE B

**Disclosure pursuant to Section 134(3)(m) of the Companies Act 2013 read with Rule 8 of the Companies (Accounts), Rules 2014**

### (A) Conservation of energy:

Steps taken or impact on conservation of energy	Considering the nature of the business of the Company, the Company has conserved the energy to the extent possible.
Steps taken by the company for utilizing alternate sources of energy	
Capital investment on energy conservation equipment's	

### (B) Technology absorption:

Efforts made towards technology absorption	Considering the nature of activities of the Company, there is no requirement with regard to technology absorption.
Benefits derived like product improvement, cost reduction, product development or import substitution	
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
Details of technology imported	Nil
Year of import	Not Applicable
Whether the technology has been fully absorbed	Not Applicable
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
Expenditure on research and development	Nil



(C) Foreign exchange earnings and Outgo:

	1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022 [Current F. Y.]	1st April, 2020 to 31 <sup>st</sup> March, 2021 [Previous F. Y.]
	Amount in Rs.	Amount in Rs.
Actual Foreign Exchange earnings	-	-
Actual Foreign Exchange outgo	-	-

For and on behalf of the Board

For SHINE FASHIONS (INDIA) LTD.

*mehta - am*

Anish Anil Mehta **Director**  
Managing Director  
DIN: 08560153

For SHINE FASHIONS (INDIA) LTD.

*mehta - az*

**Director**

Anil Zaverchand Mehta  
Director  
DIN: 08560132

Date: 06/09/2022

Place: Mulund, Mumbai

Date: 06/09/2022

Place: Mulund, Mumbai

**Annexure C**  
**Management Discussion and Analysis Report**  
**Industry Structure and Development**

**Industry Structure and development**

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. India's overall textile exports during FY 2017-18 stood at US\$ 39.2 billion in FY18 and is expected to increase to US\$ 82.00 billion by 2022 from US\$ 31.65 billion in FY19 (up to Jan 19).

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

**Opportunities & Threats**

**Opportunities**

- a. Growing preference for online platform
- b. Rural development
- c. Customer's preference in choosing hallmarked products over products made by un-organized manufacturers.
- d. Concentrating in one sector makes the company mature in the industry and gain efficiency in operations.

**Threats**

1. Presence of Small and un-organized industry players affect a sustained growth in the industry.
2. Depending on bank finance and customer advances.
3. Existing competitors.
4. Macro-economic factors such as Rupee fluctuations, enactment of new laws such as GST, KYC norms and global demand.
5. Recession affects the industry growth in general.
6. Acute shortage of skilled labour increases the production cost significantly.
7. Increasing duties and cess following GST implementation

**Segment wise operational performance**

The Company continues to be engaged in the activities pertaining to importing, supplying and trading of non-woven interlining fabrics, woven fusible interlinings and microdot fusible interlinings.

## **Outlook**

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

## **Risks and concerns**

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market.

High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market.

## **Internal control systems and their adequacy**

The Company has in place adequate system of internal control. It has documented procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations and for ensuring reliability of financial reporting. The Company has continued its efforts to align all its processes and controls with global best practices in these areas as well.

## **Some significant features of the internal control systems are:**

1. Documenting Major Business Process including financial reporting, Computer Controlling, Security Checks and Top.
2. Committee level Plans
3. A comprehensive information security policy and continuous upgrades to IT system.
4. Audit Committee of the Board of Directors, comprising independent directors.
5. Regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with accounting
6. Standards, as well as, reasons for changes in accounting policies and practices, if any.
7. A well-established multi-disciplinary internal Audit team, which reviews and reports to management and the Audit
8. Committee about the compliance with internal controls and the efficiency and effectiveness of operations and the key process risks.
9. Monthly meeting of the top management committee to review operations and plans in key business areas
10. Corporate policies on accounting and major processes.

11. Well-defined processes for formulating and reviewing annual and long-term business plans.
12. Preparation and monitoring of annual budgets for all trading activities.
13. Having introduced and continually upgraded, improved and fine-tuned state of the art Enterprise Resource Planning(ERP).

**Discussion on Financial Performance with respect to Operational performance results of Operations:**

**1. Net Revenue from Operations:**

Particulars	FY 2021-22	FY 2020-21	Change	% of Change
Sale of Products & Services	1208.29	688.07	520.22	75.61

**2. Other Income**

Particulars	FY 2021-22	FY 2020-21	Change	% of Change
Other Income	12.10	5.01	7.09	141.52

**3. Gross Profit**

Particulars	FY 2021-22	FY 2020-21	Change	% of Change
Revenue from Operations	1220.39	693.08	527.31	76.08
Less: Expenses	1167.62	666.91	500.71	75.08
Gross Profit	52.77	26.17	26.6	101.64

**4. Profit before Tax**

Particulars	FY 2021-22	FY 2020-21	Change	% of Change
Profit Before Tax	52.77	26.17	26.6	101.64

(In Lacs)

### 5.Total Comprehensive Income (After Taxation)

				(In Lacs)
Particulars	FY 2021-22	FY 2020-21	Change	% of Change
Total Comprehensive Income (After Taxation)	39.29	22.95	16.34	71.20

### Key Financial Ratios

Sr. No	Particulars of Ratio	31.03.2022	31.03.2021
1.	Debtors Turnover Ratio	2.18	1.6
2.	Inventory Turnover Ratio	29.45	15.97
3.	Interest Coverage Ratio	8.16	50.21
4.	Current Ratio	4.22	5.42
5.	Debt Equity Ratio	-	-
6.	Operating Profit Margin (%)	8.77%	0.99%
7.	Net Profit Margin (%)	3.25	3.33

### Details pertaining to net-worth of the Company

Particulars	31.03.2022	31.03.2021
Net-worth	539.44	500.15

### Human Resources & Industrial Relations

With the changing and turbulent business scenario, the Company's basic focus is to upgrade the skill and knowledge level of the existing human assets to the required level by providing appropriate leadership at all levels motivating them to face the hard facts of business, inculcating the attitude for speed of action and taking responsibilities. In order to keep the employee's skill, knowledge and business facilities updated, ongoing in house and external training is provided to the employees at all levels. The effort to rationalize and streamline the work force is a continuous process. The industrial

relations scenario remained harmonious throughout the year.

**Details of significant changes (i.e., change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:**

No significant changes

**Cautionary Statement**

Statements in the Management Discussion & Analysis Report describing the Company's expectations, opinion, and predictions may please be considered as forward-looking statements only. Actual results could differ from those expressed or implied. Company's operations should be viewed in light of changes in market conditions.

For and on behalf of the Board

For SHINE FASHIONS (INDIA) LTD.

*mehta*  
Anish Anil Mehta     **Director**  
Managing Director  
DIN:08560153

Date: 06/09/2022  
Place: Mulund, Mumbai

For SHINE FASHIONS (INDIA) LTD.

*Mehta*  
Anil Zaverchand Mehta  
Director  
DIN: 08560132

Date: 06/09/2022  
Place: Mulund, Mumbai

# Amit Dharmani & Associates

## Company Secretaries

Registered office: 205, Kalp trade Centre, Opp. Dr. Bharat Jain, Near Shahid Park,  
Freeganj, Ujjain-456010

Tel No. 0734- 3561834 Cell: 8827738332

Email: amitkumardharmani@gmail.com/esamitdharmani@gmail.com

FORM NO. MR.3

### SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31<sup>st</sup> March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members of  
SHINE FASHIONS (INDIA) LIMITED  
OFFICE NO. 605, 6TH FLOOR, MARATHON CHAMBER,  
P.K ROAD, PANCH RASTA, MULUND WEST  
MUMBAI MH 400080 INDIA

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shine Fashions (India) Limited (hereinafter called the "Company") for financial year from April 01, 2021 to March 31, 2022 (hereinafter referred to as "the Audit Period"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our 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 31<sup>st</sup> March, 2022 (hereinafter called the 'Audit Period') 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 the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (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) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, External Commercial Borrowings and Overseas Direct Investment **(Not applicable to the Company during the Audit Period)**

(v) 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, 2015. ("**PIT Regulations**")

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the Audit Period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**.

(vi) As identified, no law is specifically applicable to the Company.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has /has not intimated Stock exchange and filed necessary returns within/beyond the prescribed time during the financial year as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Company has/has not filed requisite forms and returns as prescribed under Companies Act, 2013 with the register of companies within the prescribed time, as applicable or additional fees in case of delay.





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. The composition of the Board of Directors during the period under review was in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance 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 decisions at Board Meetings and Committee Meetings are carried out either unanimously 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.

Place: Mumbai  
Date: 07/09/2022

For Amit Dharmani & Associates  
Company Secretaries



Amit Dharmani  
Proprietor  
FCS 12050 & COP 18179  
UDIN: F012050D000932134  
Unique Identification No.: S2017MP474100  
Peer Review Certificate No.: 996/2020

This report is to be read with our letter of even date which is annexed as *Annexure A* and forms an integral part of this report.

# Amit Dharmani & Associates Company Secretaries

Registered office: 205, Kalp trade Centre, Opp. Dr. Bharat Jain, Near Shahid Park,  
Freeganj, Ujjain-456010  
Tel No. 0734- 3561834 Cell: 8827738332  
Email: amitkumardharmani@gmail.com/csamitdharmani@gmail.com

## ANNEXURE - A

(To the Secretarial Audit Report of SHINE FASHIONS (INDIA) LIMITED for the  
financial year ended March 31, 2022)

To,

The Members of

SHINE FASHIONS (INDIA) LIMITED

OFFICE NO. 605, 6TH FLOOR, MARATHON CHAMBER,

P.K ROAD, PANCH RASTA, MULUND WEST

MUMBAI MH 400080 INDIA

Our Secretarial Audit Report for the financial year 31<sup>st</sup> March, 2022 is to be read along with this letter.

### Management's Responsibility:-

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor's Responsibility:-

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.



**Disclaimer:-**

5. 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.

6. We have not verified the correctness and appropriateness of financial records and books of account of the Company.

**Place: Mumbai**  
**Date: 07/09/2022**

**For Amit Dharmani & Associates**  
**Company Secretaries**



**Amit Dharmani**  
**Proprietor**  
**FCS 12050 & COP 18179**  
**UDIN: F012050D000932134**  
**Unique Identification No.: S2017MP474100**  
**Peer Review Certificate No.: 996/2020**

**THAKUR, VAIDYANATH AIYAR & CO.**

Chartered Accountants  
NEW DELHI, MUMBAI, KOLKATTA, PATNA,  
CHENNAI AND CHANDIGARH

Phone: 2284 25 02, 2287 00 67

11 - B, VATSA HOUSE,  
JANMABHOOMI MARG, FORT,  
MUMBAI --- 400 001

E-mail: tvamum@gmail.com

**Independent Auditor's Report**

**To the Members of  
SHINE FASHIONS (INDIA) LIMITED**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **SHINE FASHIONS (INDIA) LIMITED** ('the Company'), which comprise the balance sheet as at 31<sup>st</sup> March, 2022, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the cash flow statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2022, its Profit (including other comprehensive income), changes in equity and its cash flows 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 Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of matter**

Note No. 33 regarding the balances of Sundry Creditors, Debtors and loans & advances etc. being not confirmed by the parties and hence our inability to state whether these balances are recoverable/payable to the extent stated.

Our opinion is not modified in respect of these matters.

## **Key Audit Matters**

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

## **Other Information**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's report, but does not include the financial statements and our auditors' report thereon.

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

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

If, based on the work we have performed, we conclude that there is no material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Management's Responsibility for the Financial Statements**

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

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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:

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

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

1) As required by the Companies (Auditors' Report) Order, 2020 ('the Order') issued by the Central Government in terms of Section 143 (11) of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

A) As required by Section 143(3) of the Act we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity 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 specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors as on 31st March 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2022 from being appointed as a director in terms of Section 164(2) of the Act; and
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

- B) With respect to the other matters to be included in the Auditors' 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:
- i). As informed to us, the Company does not have any pending litigation which would impact its financial position, as on 31<sup>st</sup> March, 2022.
  - ii). The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii). There were no amounts that were required to be transferred, to the Investor Education and Protection Fund by the Company; and
- C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For Thakur, Vaidyanath Aiyar & Co.**  
**Chartered Accountants**  
**Firms Registration No. 000038N**

Place: Mumbai  
Date: 30.05.2022

**C. V. Parameswar**  
**Partner**  
**Membership No. 11541**  
**UDIN No. 22011541ALYNCN9401**



## Annexure A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements of our report of even date to the financial statements of the Company for the year ended March 31, 2022:

**(i)** (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant & Equipment ('PPE);

(a) (B) The company is maintaining proper records showing full particulars of Intangible assets;

(b) The Property Plant & Equipment we are informed have been physically verified by the management during the year which in our opinion is reasonable having regard to the size of the Company and nature of its business. As per the information given to us no material discrepancy has been noticed on such verification.

(c) The Company not having any immovable properties. Therefore, clause (c) is not applicable.

(d) According to the information and explanations given to us and on the basis of records examined by us, the Company has neither revalued any of its Property, Plant and Equipment (including Right-of-use Assets) nor its Intangible Assets during the year. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable.

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibitions) Act, 1988 (as amended in 2016) and Rules made there under. Accordingly, reporting under clause 3(i) (e) of the Order is not applicable.

**(ii)** (a) As informed to us physical verification of finished goods has been conducted by the management at the end of the year. In our opinion the frequency of verification is reasonable. As explained to us there were no material discrepancies noticed between the physical stock and book records.

(b) The Company has not been sanctioned working capital limits in excess of Rs 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) According to information and explanations given to us and based on the audit procedures performed, the Company has given any advances in the nature of loans during the year.

(a) The Company has granted unsecured loans to companies during the year:

<b>Particulars</b>	<b>During the year advance given (Rs. in Lacs)</b>	<b>Balance outstanding as at Balance sheet date (Rs. in Lacs)</b>
Loan to Subsidiary	17.32	17.32

(b) The terms and conditions of the grant of all the above-mentioned loans, during the year are in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same party.

(f) According to information and explanations given to us and based on the audit procedures performed, 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 during the year. Hence, reporting under clause (iii)(f) is not applicable.

**(iv)** The Company has not granted any loans, made investments, provided guarantees, and security, to which provisions of sections 185 and 186 of the Companies Act are applicable. Accordingly, reporting under clause 3(iv) of the Order is not applicable.

**(v)** In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits, to which directives issued by Reserve Bank of India and the provision of Sections 73 to 76, or any other relevant provisions of the Companies Act and rules made there under, are applicable. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal. Accordingly, reporting under clause 3(v) of the Order is not applicable.

**(vi)** The requirement of maintenance of cost record under section 148(1) of the Companies Act 2013 is not applicable to the Company for the year.

**(vii)** (a) According to information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees, State Insurance, Income-Tax, Sales tax, Service Tax, Goods and Service Tax (GST), Duty of Customs, Duty of Excise, Value added Tax, Cess and any other material statutory dues with the appropriate authorities, wherever applicable. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2022 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanations given to us and on the basis of the books and records examined by us, there are no statutory dues referred to in sub-clause (a) above, which have not been deposited on account of disputes as on March 31, 2022.

**(viii)** According to the information and explanations given to us, the Company did not have any transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

**(ix)**(a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government or dues to debenture holders.

(b) According to the information and explanations given to us and on the basis of our audit procedures, the Company is not declared wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us and on the basis of the books and records examined by us, the loans taken during the year have been applied for the purposes for which those were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis have not been utilised for long-term purposes.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiary.

**(x)**(a) According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3 (x) (a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x) (b) of the Order is not applicable.

**(xi)**(a) On the basis of books and records of the Company examined by us and according to the information and explanations given to us, we report that no material fraud by the Company or any fraud on the Company has been noticed or reported during the year in the course of our audit.

(b) According to the information and explanations given to us, no report under section 143(12) of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the management, the Company has not received any whistle-blower complaint during the year and up to the date of this report.

**(xii)** The Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.

**(xiii)** According to the information and explanations given to us and on the basis of records of the Company examined by us, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

**(xiv)** (a) According to the information and explanations given to us, in our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) 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.

**(xv)** According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not entered into non-cash transactions with directors or persons connected to its directors to which provision of section 192 of Companies Act are applicable. Accordingly, reporting under clause 3(xv) of the Order is not applicable.

**(xvi)(a)** As per the information and explanations given to us and on basis of books and records examined by us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934; the Company has not conducted any Non-banking Financial or Housing Finance activities during the year; the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and company is not part of any group that has CIC as a part of the group .Accordingly, reporting under clauses 3(xvi)(a), 3(xvi)(b) , 3(xvi)(c) and 3(xvi)(d) of the Order are not applicable to the Company.

**(xvii)** Based upon the audit procedures performed and the information and explanations given by the management, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year. Accordingly, reporting under clause 3 (xvii) of the Order are not applicable to the Company.

**(xviii)** There has been no resignation by the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

**(xix.)** On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and more particularly, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

**(xx)** As per the information and explanations given to us and on basis of books and records examined by us, we report that the Company has no unspent amount for ongoing projects and other than for ongoing projects, which is required to be transferred to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of section 135 of the said Act; and provision of subsection (6) of section 135 under clause (xx) of the Order is not applicable to the Company for the year.

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

**For Thakur, Vaidyanath Aiyar & Co.  
Chartered Accountants  
Firms Registration No. 000038N**

Place: Mumbai  
Date: 30.05.2022

**C. V. Parameswar  
Partner  
Membership No. 11541  
UDIN No. 22011541ALYNCN9401**

**Annexure B to the Independent Auditor’s Report of even date on the Financial Statements  
SHINE FASHIONS (INDIA) LIMITED for the year ended 31st March 2022**

Report on the Internal Financial Controls over financial reporting 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 **SHINE FASHIONS (INDIA) 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 judgement, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls 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<sup>st</sup> March, 2022, based on 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 Thakur, Vaidyanath Aiyar & Co.**  
**Chartered Accountants**  
**Firms Registration No. 000038N**

Place: Mumbai  
Date: 30.05.2022

**C. V. Parameswar**  
**Partner**  
**Membership No. 11541**  
**UDIN No. 22011541ALYNCN9401**

**THAKUR, VAIDYANATH AIYAR & CO.**

Chartered Accountants  
NEW DELHI, MUMBAI, KOLKATTA, PATNA,  
CHENNAI AND CHANDIGARH

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**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Shine Fashions (India) Limited**

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the accompanying Consolidated financial statements of Shine Fashions (India) Limited (hereinafter referred to as the "Holding Company") and a subsidiary (Holding Company and a subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the Consolidated 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 and based on consideration of unaudited financial information of a subsidiary, mentioned in the other matter paragraph of this report, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended / Companies (Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2021, of consolidated profit (including Other Comprehensive Income), consolidated changes in equity and its consolidated cash flows for the year then ended.

**Basis for Opinion**

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

**Emphasis of matter**

Note No. 33 regarding the balances of Sundry Creditors, Debtors and loans & advances etc. being not confirmed by the parties and hence our inability to state whether these balances are recoverable/payable to the extent stated.

Our opinion is not modified in respect of these matters.

**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 year. Based on our professional judgement, we have determined that there are no key audit matters to communicate in our report.

**Other Information**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report 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 in the 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.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the Consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.



## **Auditor's Responsibilities for the Audit of the Consolidated 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 Standards on Auditing ("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 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 Act, we are also responsible for expressing our opinion on whether the Company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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 the 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.

### **Other Matters**

We did not audit the financial information of a subsidiary whose financial information reflect total assets of Rs. 53.33 Lacs as at March 31, 2022, total revenues of Rs. 67.20 Lacs and Group's share of total net profit after tax of Rs. 0.71 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial information are unaudited and have been furnished to us by the Management and our opinion on the Consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, financial information are not material to the Group.

Our opinion on the Consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on financial information certified by the Board of Directors.

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

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 relating to preparation of the aforesaid Consolidated financial statements have been kept so far as it appears from our examination of those books.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated financial statements.

(d) In our opinion, the aforesaid Consolidated 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 of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Group 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 Auditors) 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 material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2022.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company.

2. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Group to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For Thakur, Vaidyanath Aiyar & Co.  
Chartered Accountants  
Firms Registration No. 000038N

C. V. Parameswar  
Partner  
Membership No. 11541  
UDIN No. 22011541ALYNLT9972

Place: Mumbai  
Date: 30.05.2022

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SHINE FASHIONS (INDIA) LIMITED**

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Shine Fashions (India) Limited on the Consolidated Financial Statements 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")**

In conjunction with our audit of the Consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to Consolidated financial statements of Shine Fashions (India) Limited (hereinafter referred to as "the Holding Company").

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Holding Company, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated financial statements criteria established by the respective companies 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 ("the 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 the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated financial statements of the Holding Company 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") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to Consolidated financial statements 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 internal financial controls with reference to Consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated financial statements included obtaining an understanding of internal financial controls with reference to Consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated 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 internal financial controls with reference to Consolidated financial statements of the Holding Company.

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

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to consolidated financial statements 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 Consolidated 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 Consolidated financial statements.

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

Because of the inherent limitations of internal financial controls with reference to Consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to Consolidated financial statements 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, and to the best of our information and according to the explanations given to us, the Holding Company, have, in all material respects, internal financial controls with reference to Consolidated financial statements and such internal financial controls with reference to Consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to Consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

#### **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated financial statements insofar as it relates to only in respect of the Holding Company, as subsidiary Company is incorporated out of India.

For Thakur, Vaidyanath Aiyar & Co.  
Chartered Accountants  
Firms Registration No. 000038N

C. V. Parameswar  
Partner  
Membership No. 11541  
UDIN No. 22011541ALYNLT9972

Place: Mumbai  
Date: 30.05.2022

**Shine Fashions (India) Limited**  
**CIN: L17299MH2019PLC330440**  
**Balance Sheet as at 31st March, 2022**

(Amount in Lacs)

Particulars	Note No	As at 31st March 2022	As at 31st March 2021
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's funds</b>			
(a) Equity share capital	2	139.90	139.90
(b) Other equity	3	399.54	360.25
		<b>539.44</b>	<b>500.15</b>
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings		-	-
(a) Deferred tax liability (net)	4	0.08	0.09
		<b>0.08</b>	<b>0.09</b>
<b>(3) Current liabilities</b>			
(a) Short term Borrowings	5	54.07	70.60
(b) Trade payables	6		
(A) total outstanding dues of micro enterprises and small enterprises;		-	0.12
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		<b>82.81</b>	<b>25.81</b>
(c) Other current liabilities	7	3.33	9.51
(d) Short-term provisions	8	20.39	5.90
		<b>160.60</b>	<b>111.94</b>
<b>Total</b>		<b>700.12</b>	<b>612.18</b>
<b>II.Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	9		
(i) Property, plant and equipment		0.26	0.31
(ii) Intangible assets		2.42	3.22
(b) Non-current investments	10	0.50	-
(c) Long term loans and advances	11	19.62	2.30
		<b>22.80</b>	<b>5.83</b>
<b>(2) Current assets</b>			
(a) Inventories	12	38.01	36.85
(b) Trade receivables	13	583.75	525.87
(c) Cash and cash equivalents	14	3.91	4.13
(d) Short-term loans and advances	15	51.65	39.50
		<b>677.32</b>	<b>606.35</b>
<b>Total</b>		<b>700.12</b>	<b>612.18</b>

Significant accounting policies

1

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date

For & On Behalf of the Board

For Thakur Vaidyanath Aiyar & Co

Chartered Accountants

Firm Registration No.: 000038N

SD/-

Anish A. Mehta

Director

DIN: 08560153

SD/-

Anil Z. Mehta

Director

DIN: 08560132

SD/-

C V Parameswar

Partner

Membership No.: 011541

Place: Mumbai

SD/-

Nidhi Jain

Company Secretary

SD/-

Binal Mehta

CFO

**Shine Fashions (India) Limited**

**CIN: L17299MH2019PLC330440**

**Statement of Profit and Loss for the year ended 31st March, 2022**

(Rupees in Lacs)

Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Revenue from operations	16	1,208.29	688.07
Other income	17	12.10	5.01
<b>Total Income</b>		<b>1,220.39</b>	<b>693.08</b>
<b><u>Expenses:</u></b>			
Purchase of stock in trade	18	1,103.52	620.58
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	19	(1.15)	4.56
Employee benefit expense	20	22.62	17.35
Finance costs	21	6.73	1.88
Depreciation and amortisation cost	22	0.97	0.96
Other expenses	23	34.93	21.58
<b>Total expenses</b>		<b>1,167.62</b>	<b>666.91</b>
Profit before tax		52.77	26.17
Tax expense:			
(1) Current tax		13.50	5.90
(2) Deferred tax	5	(0.01)	(2.68)
<b>Profit/(Loss) for the period</b>		<b>39.29</b>	<b>22.95</b>
Earning per equity share:	24		
Face value per equity shares Rs.5/- fully paid up.			
(1) Basic		1.40	0.98
(2) Diluted		1.40	0.98

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date  
For Thakur Vaidyanath Aiyar & Co  
Chartered Accountants

Firm Registration No.: 000038N

SD/-  
C V Parameswar  
Partner

Membership No.: 011541

Place: Mumbai

Date: May 30, 2022

For & On Behalf of the Board

SD/-  
Anish A. Mehta  
Director

DIN: 08560153

SD/-  
Nidhi Jain

Company Secretary

ACS: 40056

SD/-  
Anil Z. Mehta  
Director

DIN: 08560132

SD/-  
Binal Mehta

CFO

<b>Shine Fashions (India) Limited</b>		
<b>CIN: L17299MH2019PLC330440</b>		
<b>Cash Flow Statement For the year ended 31st March, 2022</b>		
Particulars	For the Year ended March 31, 2022	For the year ended March 31, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax and extraordinary items	52.77	26.17
Adjustments for:		
Depreciation and amortisation expense	0.97	0.96
Short-term Provisions	-	1.08
Interest expenses & Bank Charges	6.73	1.88
Interest and other income on investments	(0.05)	(0.00)
Operating profit / (loss) before working capital changes	<b>60.42</b>	<b>30.09</b>
Changes in working capital:		
Increase / (Decrease) in trade payable	56.89	(37.03)
Increase / (Decrease) in other current liabilities	(5.18)	(7.10)
(Increase) / Decrease in loan and advances	(5.82)	(13.49)
(Increase) / Decrease in trade receivables	(57.88)	(190.92)
(Increase) / Decrease in inventories	(1.16)	4.57
<b>CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES</b>	<b>47.27</b>	<b>(213.88)</b>
Less: Taxes paid	(6.34)	(10.44)
<b>NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES</b>	<b>40.93</b>	<b>(224.32)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of tangible / intangible assets	(0.11)	-
(Increase) / Decrease in long term loan and advances	(17.33)	-
(Increase) / Decrease in non current investments	(0.50)	-
Dividend/ bank interest received	0.05	0.00
<b>NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES</b>	<b>(17.89)</b>	<b>0.00</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Financial Expenses	(6.73)	(1.88)
Issue Expenses	-	(4.29)
Increase in Capital	-	159.60
Increase / (Decrease) in Borrowings	(16.53)	70.60
<b>NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES</b>	<b>(23.26)</b>	<b>224.03</b>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>(0.22)</b>	<b>(0.29)</b>
Cash and Cash equivalents at beginning period	4.13	4.42
Cash and Cash equivalents at end of period	3.91	4.13
<b>D. Cash and Cash equivalents comprise of</b>		
Cash on hand	1.18	1.67
Bank Balances	2.73	2.46
<b>Total</b>	<b>3.91</b>	<b>4.13</b>
<p>As per our report of even date For Thakur Vaidyanath Aiyar &amp; Co Chartered Accountants Firm Registration No.: 000038N</p>		
<p><b>For &amp; On Behalf of the Board</b></p>		
<p>Anish A. Mehta                      Anil Z. Mehta Director                                      Director DIN: 08560153                      DIN: 08560132</p>		
<p>C V Parameswar Partner Membership No.: 011541 Place: Mumbai Date: May 30, 2022</p>		
<p>Nidhi Jain                                      Binal Mehta Company Secretary                      CFO</p>		



Shine Fashion (India) Limited  
Statement of changes in equity for the year ended March 31, 2022

(Amount in Lacs)

(A) Equity share capital	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Particulars				
Equity shares of ₹ 5/- each issued, subscribed and fully paid				
Opening balance	13,99,000	139.90	13,99,000	139.90
Changes in equity share capital during the year	13,99,000	-	-	-
Closing balance	27,98,000	139.90	13,99,000	139.90

(B) Other equity

	Reserve and surplus		Total
	Security Premium	Retained earnings	
Balance as at April 01, 2021	302.82	57.43	360.25
Profit for the year	-	39.29	39.29
Addition during the year	-	-	-
Less: Issue expenses	-	-	-
Balance as at March 31, 2022	302.82	96.72	399.54

	Reserve and surplus		Total
	Security Premium	Retained earnings	
Balance as at April 01, 2020	198.10	34.48	232.58
Profit for the year	-	22.95	22.95
Addition during the year	119.70	-	119.70
Less: Issue expenses	14.98	-	14.98
Balance as at March 31, 2021	302.82	57.43	360.25

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date  
For THAKUR VAIDYANATH AIYAR & CO.  
Chartered Accountants  
ICAI Firm Registration No.: 000038N

For & On Behalf of the Board

**Anish A. Mehta**  
Director  
DIN: 08560153

**Anil Z. Mehta**  
Director  
DIN: 08560132

**C V Parameswar**  
Partner  
Membership No.: 011541  
Place: Mumbai  
Date: May 30, 2022

**Nidhi Jain**  
Company Secretary  
ACS: 40056

**Binal Mehta**  
CFO

## **Shine Fashions (India) Limited**

**Notes Forming Part of Financial Statements for the year ended 31st March, 2022**

### **Corporate Information:**

Shine Fashions (India) Limited was incorporated on 11th September, 2019. The company is engaged in the business of import and trading of various types of fabrics and textile raw materials. The company took over the business of proprietorship firm AM FABRICS on 30th September, 2019.

### **1 Significant Accounting Policies:**

#### **1.1 Basis of Preparation of Financial Statements**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2015. The financial statements are prepared on accrual basis under the historical cost convention. The accounting policies, in all material respects, have been consistently applied by the Company and are consistent with those used in the previous year. The financial statements are presented in Indian rupees.

#### **1.2 Use of Estimates**

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

#### **1.3 Property, plant and equipment**

##### **Tangible Assets**

Tangible Assets except land are stated at cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of freight, insurance, duties, levies, interest on specific borrowings attributable to acquisition / construction of fixed assets and all incidentals attributable to bringing the asset to its working condition for the intended use.

Borrowing costs relating to acquisition of Fixed Assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance, all other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the statement of profit and loss when the asset is derecognized.

##### **Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Goodwill arising on acquisition of business is carried at cost as established at the date of acquisition of the business.

Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs which meet capitalization criteria, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Gains or losses arising from derecognition of an Intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

#### **1.4 Depreciation / Amortization**

##### **Tangible Assets**

Depreciation on Tangible Assets is provided on Straight Line Method (SLM) basis using the rates arrived at based on the useful lives as per Schedule II to the Companies Act, 2013.

##### **Intangible Assets**

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

##### **Amortization of Goodwill**

Goodwill arising out of acquisition of business is amortized over five years on a straight line basis.

#### **1.5 Impairment**

All the fixed assets are assessed for any indication of impairment, at the end of each financial year. On such indication, the impairment loss, being the excess of carrying value over the recoverable value of assets, is charged to the profit and loss account in the respective financial years. The impairment loss recognized in the prior years is reversed in cases where the recoverable value exceeds the carrying value, upon reassessment in the subsequent years.

For the purposes of impairment testing, Goodwill is allocated to each of the Company's cash generating units (CGUs) that are expected to benefit from the synergies of the combination. A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

#### **1.6 Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

#### **1.7 Foreign currency translation**

A foreign currency transaction is recorded, on initial recognition in the reporting currency (INR), by applying exchange rate prevailing on the date of the transaction.

On the balance sheet date, monetary items are reported using the closing foreign currency exchange rate.

Exchange differences arising on the settlement of transactions or on reporting the company's monetary items on the balance sheet date are recognised as income or expense for that period.

#### **1.8 Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue is recognized only when risks and rewards incidental to ownership are transferred to customers, it can be reliably measured and it is reasonable to expect ultimate collection. Sales are stated net of trade discount, duties and taxes.

##### **Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other Income” in the statement of profit and loss.

#### **1.9 Retirement and other employee benefits**

##### **(A) Short-term employee benefits**

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, etc. and the expected cost of bonus, ex-gratia, and incentives are recognised in the period during which the employee renders the related service.

##### **(B) Post-employment benefits**

###### **(i) Defined contribution plan**

Since the number of employees of the Company is less than 20, Employee's Provident Fund is not applicable to the Company. Therefore, there is no contribution made under Provident Fund.

###### **(ii) Defined benefit plans**

Since the number of employees of the Company is less than 10, Gratuity is not applicable to the Company. Therefore, there is no contribution made under Gratuity.

#### **1.10 Taxation**

Tax expense comprises of current tax & deferred tax.

Current tax is measured as the amount expected to be paid to/recovered from the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is accounted for in accordance with Accounting Standard 22 on “Accounting for Taxes on Income”, (AS 22) issued by the Institute of Chartered Accountants of India. Deferred tax assets and liabilities are recognised for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent years and are measured using relevant enacted tax rates. The carrying amount of deferred tax assets at each Balance sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the deferred tax asset can be realised.

#### **1.11 Inventories**

Inventories encompass goods purchased and held for resale. Inventories are valued at the lower of cost and net realisable value. The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of inventories is assigned by using the first-in, first-out (FIFO) basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### **1.12 Trade Receivables**

Trade Receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade Receivables are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method, net of provision for impairment. The carrying value less impairment provision of trade receivables, are assumed to be approximate to their fair values.

#### **1.13 Cash and cash equivalents**

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

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and demand deposits

#### **1.14 Provisions, Contingent Liabilities and Contingent Assets**

A Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized in the financial statements. Contingent Assets are neither recognized nor disclosed in the financial statements.

#### **1.15 Earnings per Equity Share**

Basic earnings per share is calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. Potential equity shares are anti-dilutive when their conversion to equity shares would increase earnings per share from continuing ordinary activities or decrease loss per share from continuing ordinary activities.

#### **1.16 Rounding off**

All amounts disclosed in financial statements and notes have been rounded off to the nearest Lacs as per requirement of Schedule III of the Act, unless otherwise stated. Amounts represented by '0' (zero) construes value less than Rupees five thousand.

**Shine Fashions (India) Limited**  
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**Notes Forming Part of Balance Sheet**

**Note 2 :- Equity share capital**

Particulars	31st March, 2022	31st March, 2021
<b>Authorised share capital</b>		
1,00,00,000 (Previous Year 50,00,000 equity shares of Rs. 10/- each) Equity Shares of Rs.5/- each	500.00	500.00
<b>Issued, subscribed &amp; paid-up share capital</b>		
27,98,000 (Previous Year 13,99,000 equity shares of Rs. 10 each fully paid up) Equity Shares Rs.10/- each fully paid up	139.90	139.90
<b>Total share capital</b>	<b>139.90</b>	<b>139.90</b>

**Note 2.1 : Reconciliation of number of shares outstanding is set out below:**

Particulars	31st March, 2022	31st March, 2021
Equity shares at the beginning of the year	13,99,000	13,99,000
Add: Sub division of shares in current financial year	13,99,000	-
<b>Equity shares at the end of the year</b>	<b>27,98,000</b>	<b>13,99,000</b>

Note 2.3 : There is no fresh issue or buyback of shares during the year.

Note 2.4 : The Company has sub-divided equity shares from nominal value of Rs. 10/- each fully paid up at the beginning of the year into 2 (two) equity shares of Rs. 5/- each fully paid up.

Note 2.5 : There is a change in the number of shares outstanding at the beginning and at the end of the year as a result of sub-division of shares as stated above.

**Note 2.6: Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of the shareholder	31st March, 2022		31st March, 2021	
	Number of shares	% of holding	Number of shares	% of holding
Anil Zaverchand Mehta	5,99,400	21.42%	2,99,700	21.42%
Anish Anil Mehta	8,01,000	28.60%	4,00,050	28.60%
Binal Anil Sanghavi	6,01,000	21.45%	3,00,050	21.45%

**Note 2.7: Shares held by promoters at the end of the year**

	Promoter Name	31st March, 2022		31st March, 2021	
		No. of Shares	% of total shares	No. of Shares	% of total shares
1	Anil Zaverchand Mehta	5,99,400	21.42%	2,99,700	21.42%
2	Anish Anil Mehta	8,01,000	28.60%	4,00,500	28.60%
3	Mrs. Purvi Anil Sanghavi	50	0.50%	50	0.50%
4	Binal Anil Sanghavi	6,01,000	21.45%	3,00,500	21.45%

**Note 3: Other Equity**

Particulars	31st March, 2022	31st March, 2021
<b>(A) Securities Premium</b>		
Balance as at the beginning of the year	302.82	198.10
Add: Additions during the year	-	119.70
Less: Issue expenses	-	14.98
<b>Balance as at the end of the year</b>	<b>302.82</b>	<b>302.82</b>
<b>(B) Retained earnings</b>		
Balance as at the beginning of the year	57.43	34.48
Add:- Profit / (Loss) for the Current Year	39.29	22.95
<b>Balance as at the end of the year</b>	<b>96.72</b>	<b>57.43</b>
<b>Total (A+B)</b>	<b>399.54</b>	<b>360.25</b>

**Note 4: Deferred tax liability**

Particulars	31st March, 2022	31st March, 2021
Deferred tax liability	0.08	0.09
<b>Total</b>	<b>0.08</b>	<b>0.09</b>

**Note 5: Short term borrowings**

Particulars	31st March, 2022	31st March, 2021
<b>Loans from Financial Institutions:</b>		
ICICI Bank Overdraft Account	54.07	70.60
<b>TOTAL</b>	<b>54.07</b>	<b>70.60</b>

**Terms and conditions of loans**

1. Bank Overdraft from ICICI Bank is secured by way of hypothecation of the company entire stocks of raw materials, work in progress, finished goods, consumable stores and spares and such other movables including book debts, bills.
2. Unconditional and irrevocable personal guarantees of Directors
3. Exclusive charges by way of extension of equitable mortgage of office situated at 605, 6th Floor, Marathon Chambers, Mulund (West) - 400 080

**Note 6 : Trade payables**

Particulars	31st March, 2022	31st March, 2021
Total outstanding dues of micro enterprises and small enterprises	-	0.12
Total outstanding dues of creditors other than micro enterprises and small enterprises	82.81	25.81
<b>Total</b>	<b>82.81</b>	<b>25.93</b>

Note 6.1 : Steps have been taken to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March 2022, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act, is not expected to be material.

**Trade Payables ageing schedule: As at 31st March,2022**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	73.36	-	9.45	-	82.81
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Trade Payables ageing schedule: As at 31st March 2021**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.12	-	-	-	0.12
(ii) Others	17.13	8.68	-	-	25.81
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Note 7 : Other Current Liabilities**

Particulars	31st March, 2022	31st March, 2021
<b>Statutory Dues:</b>		
TDS Payable	0.68	0.55
Profession Tax Payable	-	0.09
<b>Other Dues:</b>		
Advance from customers	2.62	0.41
Outstanding expenses	0.03	8.46
<b>Total</b>	<b>3.33</b>	<b>9.51</b>

**Note 8 : Short Term Provisions**

<b>Particulars</b>	<b>31st March, 2022</b>	<b>31st March, 2021</b>
Provision for income tax for F.Y. 2020-21	5.90	5.90
Provision for income tax for F.Y. 2021-22	13.50	-
Provision for expenses	0.99	-
<b>Total</b>	<b>20.39</b>	<b>5.90</b>



Shine Fashions (India) Limited

Note 9 :- Property, plant & equipments

Tangible Assets

Details of Assets	Gross Block				Accumulated Depreciation				Net Block	
	As at 01.04.2021	Additions	Deductions	Total	As at 01.04.2021	For The Year	Deductions	As on 31.03.2022	As At 31.03.2022	As At 31.03.2021
<b>TANGIBLE ASSETS</b>										
Computers	0.50	-	-	0.50	0.19	0.16	-	0.35	0.15	0.31
Office equipments	-	0.11	-	0.11	-	0.00	-	0.00	0.11	-
<b>Total (A)</b>	<b>0.50</b>	<b>0.11</b>	<b>-</b>	<b>0.61</b>	<b>0.19</b>	<b>0.16</b>	<b>-</b>	<b>0.35</b>	<b>0.26</b>	<b>0.31</b>
<b>INTANGIBLE ASSETS</b>										
Goodwill	4.03	-	-	4.03	0.81	0.81	-	1.61	2.42	3.22
<b>Total (B)</b>	<b>4.03</b>	<b>-</b>	<b>-</b>	<b>4.03</b>	<b>0.81</b>	<b>0.81</b>	<b>-</b>	<b>1.61</b>	<b>2.42</b>	<b>3.22</b>
<b>Total (A+B)</b>	<b>4.53</b>	<b>0.11</b>	<b>-</b>	<b>4.64</b>	<b>1.00</b>	<b>0.97</b>	<b>-</b>	<b>1.96</b>	<b>2.67</b>	<b>3.53</b>
Previous Year	4.53	-	-	4.53	0.03	0.97	-	1.00	3.53	

**Shine Fashions (India) Limited**  
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**Notes Forming Part of Balance Sheet**

**Note 10 : Non current investment**

	Particulars	31st March, 2022	31st March, 2021
	<b>Unquoted Investments</b>		
a.	Investment in Shinetex	0.50	-
	<b>Total</b>	<b>0.50</b>	<b>-</b>

**Note 11 : Long term loans and advances**

	Particulars	31st March, 2022	31st March, 2021
I)	<b><u>Security deposit</u></b>		
	BSE LTD Deposits	1.60	1.60
	CDSL Deposits	0.10	0.10
	NSDL Deposits	0.10	0.10
	Rent Deposit	0.50	0.50
II)	<b><u>Other loans &amp; advances</u></b>		
	Loan to Shinetex Industries Pvt. Ltd.	17.32	-
	<b>Total</b>	<b>19.62</b>	<b>2.30</b>

**Note 12 : Inventories**

	Particulars	31st March, 2022	31st March, 2021
1	Textile products*	38.01	36.85
	<b>Total</b>	<b>38.01</b>	<b>36.85</b>

\*Hypothecated as charge against short term-borrowings. Refer note 4.

**Note 13 : Trade receivables**

	Particulars	31st March, 2022	31st March, 2021
1	<b>Outstanding for more than six months</b>		
	a) Secured, considered good	-	34.45
	b) Unsecured, considered good	-	-
	c) Doubtful	-	-
2	<b>Others</b>		
	a) Secured, considered good	583.75	491.42
	b) Unsecured, considered good	-	-
	c) Doubtful	-	-
	<b>Total</b>	<b>583.75</b>	<b>525.87</b>

**Trade Receivables ageing schedule as at 31st March,2022**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	more then 3 Years	Total
(i) Undisputed Trade receivables -considered good	570.42	10.83	2.06	0.44	-	583.75
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

**Trade Receivables ageing schedule as at 31st March,2021**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	more then 3 Years	Total
(i) Undisputed Trade receivables -considered good	414.38	108.51	2.99	-	-	525.87
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

**Note 14 : Cash and bank balances**

	Particulars	31st March, 2022	31st March, 2021
	Cash on hand	1.18	1.67
	Bank Account	2.73	2.46
	<b>Total</b>	<b>3.91</b>	<b>4.13</b>

**Note 15 : Short terms loans and advances**

	Particulars	31st March, 2022	31st March, 2021
1	GST Input Tax Credit	9.11	1.68
2	Self Assesment Tax FY 2020-21 (AY 2021-22)	6.34	-
3	<b>Others</b>		
	Advance to Creditors	23.24	37.79
	Prepaid Expenses	-	0.03
	Custom Duty Credit Scrips	12.96	-
	<b>Total</b>	<b>51.65</b>	<b>39.50</b>

**Shine Fashions (India) Limited**  
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**Notes Forming Part of Statement of Profit & Loss**

(Rupees in Lacs)

**Note 16 : Revenue from operations**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Sales of products	1,208.29	688.07
	<b>Total</b>	<b>1,208.29</b>	<b>688.07</b>

**Note 17 : Other income**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Foreign Exchange Gain/Loss	3.97	4.64
2	Interest On Fd	0.05	0.00
3	Profit on sale of Machine	0.20	-
4	License Gain	7.77	0.37
5	Discount	0.11	-
	<b>Total</b>	<b>12.10</b>	<b>5.01</b>

**Note 18 : Purchase of stock in trade**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Purchase of stock in trade	1,103.52	620.58
	<b>Total</b>	<b>1,103.52</b>	<b>620.58</b>

**Note 19 : Change in inventories**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Stock at the Beginning of the Year	36.86	41.42
	Stock at the Ending of the Year	38.01	36.86
	<b>Total</b>	<b>(1.15)</b>	<b>4.56</b>

**Note 20 : Employment benefit expenses**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Salaries and Incentive	9.66	6.96
	Director remuneration	12.35	10.00
	Staff Welfare	0.61	0.39
	<b>Total</b>	<b>22.62</b>	<b>17.35</b>

**Note 21 : Financial cost**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Bank Charges	0.97	1.37
2	Interest on CC Bank Account	5.76	0.51
	<b>Total</b>	<b>6.73</b>	<b>1.88</b>

**Note 22 : Depreciation and amortisation cost**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Amortization of Goodwill	0.81	0.81
2	Depreciation on Tangible Assets	0.16	0.15
	<b>Total</b>	<b>0.97</b>	<b>0.96</b>

**Note 23 : Other expenses**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Job work on textile products	7.49	2.71
2	Freight	9.05	6.88
3	Stores, consumables and packing materials	5.51	0.98
4	Listing Expenses	2.06	-
5	Audit Fees	0.60	0.60

6	Office Expenses	0.81	0.28
7	Legal & Professional Fees	1.96	1.41
8	Electricity Expenses	0.26	0.16
9	Statutory fees & taxes	0.09	0.14
10	Travelling Expense	1.49	1.07
11	Telephone and internet expenses	0.16	0.09
12	Rent	5.28	5.74
13	Repairs & Maintenance	0.07	0.03
14	Printing & Stationery	0.10	0.62
15	Miscellaneous Expenses	0.00	0.01
17	Accounting Charges	-	0.18
18	Prior period expense	-	0.68
	<b>Total</b>	<b>34.93</b>	<b>21.58</b>

**Note 24: Earning per share**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Net profit after tax	39.29	22.95
2	Weighted average number of equity shares	27,98,000	23,32,500
	<b>Earning per share (face value of Rs.5/-fully paid)</b>	<b>1.40</b>	<b>0.98</b>

**Note 25 : Related Parties Disclosure**

Names of related parties and description of relationship :

Name	Nature of Relationship
Anil zaverchand Mehta	Director
Mr. Anish Anil Mehta	Independent Director
Ms. Nidhi Jain	Company Secretary
Shine Fashion (Proprietorship of Binal Anish Mehta)	Entities where KMP/Director have significant influence
ShineTex Industries Pvt Ltd	Subsidiary
Nikita Mange	Independent Director
Nikita Shah	Independent Director
Priyank Doshi	Independent Director

RELATED PARTY TRANSACTIONS		
PARTICULARS	31-Mar-22	31-Mar-21
<b>A) TRANSACTIONS DURING THE YEAR</b>		
<u>Directors</u>		
<u>Sitting Fees</u>		
Anil zaverchand Mehta	0.20	-
Nikita Mange	0.05	-
Nikita Shah	0.05	-
Priyank Doshi	0.05	-
<u>Loan from Director</u>		
Mr. Anish Anil Mehta	22.00	
<u>Director Remuneration</u>		
Mr. Anish Anil Mehta	12.00	10.00
<b>B) Subsidiary Company</b>		
<u>Loan to Subsidiary Company</u>		
Shinetex	17.33	
<u>Sale of Fixed Asset</u>		
Power Dot Roller	2.36	
<u>Allotment of shares</u>		
Shares in Shinetex	0.50	
<u>Key Managerial Person</u>		
<b>C) Salary Payable</b>		
Nidhi Jain	1.80	0.15
Mrs. Binal Anish Mehta	1.92	-
<u>Relative of Directors</u>		
<b>D) Rent</b>		
Mrs. Indu Anil Mehta	2.86	3.29
<b>CLOSING BALANCE</b>		
<u>Key Management Personnel</u>		
<b>A) Remuneration Payable</b>		
Anil zaverchand Mehta	0.20	-
Nikita Mange	0.05	-
Nikita Shah	0.05	-
Priyank Doshi	0.05	-
Mr. Anish Anil Mehta	0.39	-
<b>B) Loan to subsidiary</b>		
ShineTex Industries Pvt Ltd	17.33	-
Receipt of sale of Fixed asset	2.36	-
<b>C) Relative of Directors</b>		
<u>Rent Payable</u>		
Mrs. Indu Anil Mehta	2.86	1.23

**Note No. 26 Financial Ratio**

S No.	Ratio	Particulars		Ratio as on	Ratio as on	Variation	Reason (if variation is more than 25%)
		Numerator	Denominator	March 31, 2022	March 31, 2021		
(a)	Current Ratio	Current Assets= Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale	Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liability	4.22	5.42	0.22	
(b)	Debt-Equity Ratio	Debt= long term borrowing and current maturities of long-term borrowings and redeemable preference shares treated as financial liability	Equity= Equity + Reserve and Surplus	-	-	0.00	
(c)	Debt Service Coverage Ratio	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments	8.16	50.21	0.84	Debt Service Coverage Ratio of previous year was high because overdraft facility was obtained toward end of financial year. As a result, interest for only 2 months was payable in previous financial year.
(d)	Return on Equity Ratio	Net Income= Net Profits after taxes - Preference Dividend	Shareholder's Equity	0.07	0.05	-0.59	Ratio has improved due to increase in Revenue and profit.
(e)	Inventory Turnover Ratio	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	-	-	0.00	
(f)	Trade Receivables Turnover Ratio	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	2.18	1.60	-0.36	Ratio has improved due to significant increase in Revenue and marginal increase in Trade Receivable.
(g)	Trade Payables Turnover Ratio	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	20.30	13.96	-0.45	Ratio has improved due to better working capital management.
(h)	Net Capital Turnover Ratio	Revenue	Average Working Capital= Average of Current assets - Current liabilities	2.34	1.39	-0.68	Ratio has improved due to increase in revenue and better working capital management.
(i)	Net Profit Ratio	Net Profit	Net Sales	0.03	0.03	0.02	
(j)	Return on Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	0.11	0.05	-1.03	Ratio has improved due to increase in revenue and effective control over costs.
(k)	Return on Investment	Net Profit	Net Investment= Net Equity	0.11	0.05	-1.03	Ratio has improved due to increase in revenue and effective control over costs.

**Shine Fashions (India) Limited**  
**Notes Forming Part of the Accounts**

**27 Auditors' Remuneration (excluding GST)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Statutory Audit Fees	0.60	0.60
Reimbursement of Expenses	-	-
<b>Total</b>	<b>0.60</b>	<b>0.60</b>

**28 (a) Earnings in Foreign Currency:**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Export of goods	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**29 Value of Imports Calculated on CIF Basis**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Raw materials	-	-
Stock-in-trade	511.43	344.05
Capital goods	-	-
<b>Total</b>	<b>511.43</b>	<b>344.05</b>

**30 Contingent liability and commitments**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Contingent liabilities (to the extent not provided for)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**31 Segment Reporting**

As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided in terms of Accounting Standard 17 on 'Segment Reporting'.

**32** In the opinion of the Board, Current Assets and Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

**33** Creditors, Debtors (Including Credit Balances) Advances etc, are subject to confirmation and reconciliation.

**34** The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

**35** The Company has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

**36** The Company does not have any transactions with struck-off companies.

**37** The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

**38** The Company has one subsidiary viz ShineTex Industries Pvt Ltd

**39** The Company does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 ( such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).



- 40** The company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;
- 1.** 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
  - 2.** Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 41** The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
- 1.** 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
  - 2.** Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 42** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 43** The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company has opted to continue with the Section 115BAA regime for the current financial year.

44 The figures of previous year have been regrouped / reclassified wherever necessary.

As per our report of even date  
For Thakur Vaidyanath Aiyar & Co  
Chartered Accountants  
Firm Registration No.: 000038N

For and on Behalf of the Board

C V Parameswar  
Partner  
Membership No.: 011541  
Place: Mumbai  
Date: May 30, 2022

Anish A. Mehta      Anil Z. Mehta  
Director              Director  
DIN: 08560153      DIN: 08560132

Nidhi Jain              Binal Mehta  
Company Secretary      CFO  
ACS: 40056

**Shine Fashions (India) Limited**  
**CIN: L17299MH2019PLC330440**  
**Balance Sheet as at 31st March, 2022**

(Amount in Lacs)

Particulars	Note No	As at 31st March 2022	As at 31st March 2021
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's funds</b>			
(a) Equity share capital	2	139.90	139.90
(b) Other equity	3	399.54	360.25
		<b>539.44</b>	<b>500.15</b>
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings		-	-
(a) Deferred tax liability (net)	4	0.08	0.09
		<b>0.08</b>	<b>0.09</b>
<b>(3) Current liabilities</b>			
(a) Short term Borrowings	5	54.07	70.60
(b) Trade payables	6		
(A) total outstanding dues of micro enterprises and small enterprises;		-	0.12
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		<b>82.81</b>	<b>25.81</b>
(c) Other current liabilities	7	3.33	9.51
(d) Short-term provisions	8	20.39	5.90
		<b>160.60</b>	<b>111.94</b>
<b>Total</b>		<b>700.12</b>	<b>612.18</b>
<b>II.Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	9		
(i) Property, plant and equipment		0.26	0.31
(ii) Intangible assets		2.42	3.22
(b) Non-current investments	10	0.50	-
(c) Long term loans and advances	11	19.62	2.30
		<b>22.80</b>	<b>5.83</b>
<b>(2) Current assets</b>			
(a) Inventories	12	38.01	36.85
(b) Trade receivables	13	583.75	525.87
(c) Cash and cash equivalents	14	3.91	4.13
(d) Short-term loans and advances	15	51.65	39.50
		<b>677.32</b>	<b>606.35</b>
<b>Total</b>		<b>700.12</b>	<b>612.18</b>

Significant accounting policies

1

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date

For & On Behalf of the Board

For Thakur Vaidyanath Aiyar & Co

Chartered Accountants

Firm Registration No.: 000038N

SD/-

Anish A. Mehta

Director

DIN: 08560153

SD/-

Anil Z. Mehta

Director

DIN: 08560132

SD/-

C V Parameswar

Partner

Membership No.: 011541

Place: Mumbai

SD/-

Nidhi Jain

Company Secretary

SD/-

Binal Mehta

CFO

**Shine Fashions (India) Limited**

**CIN: L17299MH2019PLC330440**

**Statement of Profit and Loss for the year ended 31st March, 2022**

(Rupees in Lacs)

Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Revenue from operations	16	1,208.29	688.07
Other income	17	12.10	5.01
<b>Total Income</b>		<b>1,220.39</b>	<b>693.08</b>
<b><u>Expenses:</u></b>			
Purchase of stock in trade	18	1,103.52	620.58
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	19	(1.15)	4.56
Employee benefit expense	20	22.62	17.35
Finance costs	21	6.73	1.88
Depreciation and amortisation cost	22	0.97	0.96
Other expenses	23	34.93	21.58
<b>Total expenses</b>		<b>1,167.62</b>	<b>666.91</b>
Profit before tax		52.77	26.17
Tax expense:			
(1) Current tax		13.50	5.90
(2) Deferred tax	5	(0.01)	(2.68)
<b>Profit/(Loss) for the period</b>		<b>39.29</b>	<b>22.95</b>
Earning per equity share:	24		
Face value per equity shares Rs.5/- fully paid up.			
(1) Basic		1.40	0.98
(2) Diluted		1.40	0.98

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date  
For Thakur Vaidyanath Aiyar & Co  
Chartered Accountants

Firm Registration No.: 000038N

SD/-  
C V Parameswar

Partner  
Membership No.: 011541

Place: Mumbai  
Date: May 30, 2022

For & On Behalf of the Board

SD/-  
Anish A. Mehta  
Director  
DIN: 08560153

SD/-  
Nidhi Jain  
Company Secretary  
ACS: 40056

SD/-  
Anil Z. Mehta  
Director  
DIN: 08560132

SD/-  
Binal Mehta  
CFO

<b>Shine Fashions (India) Limited</b>		
<b>CIN: L17299MH2019PLC330440</b>		
<b>Cash Flow Statement For the year ended 31st March, 2022</b>		
Particulars	For the Year ended March 31, 2022	For the year ended March 31, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax and extraordinary items	52.77	26.17
Adjustments for:		
Depreciation and amortisation expense	0.97	0.96
Short-term Provisions	-	1.08
Interest expenses & Bank Charges	6.73	1.88
Interest and other income on investments	(0.05)	(0.00)
Operating profit / (loss) before working capital changes	<b>60.42</b>	<b>30.09</b>
Changes in working capital:		
Increase / (Decrease) in trade payable	56.89	(37.03)
Increase / (Decrease) in other current liabilities	(5.18)	(7.10)
(Increase) / Decrease in loan and advances	(5.82)	(13.49)
(Increase) / Decrease in trade receivables	(57.88)	(190.92)
(Increase) / Decrease in inventories	(1.16)	4.57
<b>CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES</b>	<b>47.27</b>	<b>(213.88)</b>
Less: Taxes paid	(6.34)	(10.44)
<b>NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES</b>	<b>40.93</b>	<b>(224.32)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of tangible / intangible assets	(0.11)	-
(Increase) / Decrease in long term loan and advances	(17.33)	-
(Increase) / Decrease in non current investments	(0.50)	-
Dividend/ bank interest received	0.05	0.00
<b>NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES</b>	<b>(17.89)</b>	<b>0.00</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Financial Expenses	(6.73)	(1.88)
Issue Expenses	-	(4.29)
Increase in Capital	-	159.60
Increase / (Decrease) in Borrowings	(16.53)	70.60
<b>NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES</b>	<b>(23.26)</b>	<b>224.03</b>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>(0.22)</b>	<b>(0.29)</b>
Cash and Cash equivalents at beginning period	4.13	4.42
Cash and Cash equivalents at end of period	3.91	4.13
<b>D. Cash and Cash equivalents comprise of</b>		
Cash on hand	1.18	1.67
Bank Balances	2.73	2.46
<b>Total</b>	<b>3.91</b>	<b>4.13</b>
<p>As per our report of even date For Thakur Vaidyanath Aiyar &amp; Co Chartered Accountants Firm Registration No.: 000038N</p>		
<p><b>For &amp; On Behalf of the Board</b></p>		
<p>Anish A. Mehta                      Anil Z. Mehta Director                                      Director DIN: 08560153                      DIN: 08560132</p>		
<p>C V Parameswar Partner Membership No.: 011541 Place: Mumbai Date: May 30, 2022</p>		
<p>Nidhi Jain                                      Binal Mehta Company Secretary                      CFO</p>		

Shine Fashion (India) Limited  
Statement of changes in equity for the year ended March 31, 2022

(Amount in Lacs)

(A) Equity share capital	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Particulars				
Equity shares of ₹ 5/- each issued, subscribed and fully paid				
Opening balance	13,99,000	139.90	13,99,000	139.90
Changes in equity share capital during the year	13,99,000	-	-	-
Closing balance	27,98,000	139.90	13,99,000	139.90

(B) Other equity

	Reserve and surplus		Total
	Security Premium	Retained earnings	
Balance as at April 01, 2021	302.82	57.43	360.25
Profit for the year	-	39.29	39.29
Addition during the year	-	-	-
Less: Issue expenses	-	-	-
Balance as at March 31, 2022	302.82	96.72	399.54

	Reserve and surplus		Total
	Security Premium	Retained earnings	
Balance as at April 01, 2020	198.10	34.48	232.58
Profit for the year	-	22.95	22.95
Addition during the year	119.70	-	119.70
Less: Issue expenses	14.98	-	14.98
Balance as at March 31, 2021	302.82	57.43	360.25

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date  
For THAKUR VAIDYANATH AIYAR & CO.  
Chartered Accountants  
ICAI Firm Registration No.: 000038N

For & On Behalf of the Board

**Anish A. Mehta**  
Director  
DIN: 08560153

**Anil Z. Mehta**  
Director  
DIN: 08560132

**C V Parameswar**  
Partner  
Membership No.: 011541  
Place: Mumbai  
Date: May 30, 2022

**Nidhi Jain**  
Company Secretary  
ACS: 40056

**Binal Mehta**  
CFO

## Shine Fashions (India) Limited

Notes Forming Part of Financial Statements for the year ended 31st March, 2022

### Corporate Information:

Shine Fashions (India) Limited was incorporated on 11th September, 2019. The company is engaged in the business of import and trading of various types of fabrics and textile raw materials. The company took over the business of proprietorship firm AM FABRICS on 30th September, 2019.

### 1 Significant Accounting Policies:

#### 1.1 Basis of Preparation of Financial Statements

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2015. The financial statements are prepared on accrual basis under the historical cost convention. The accounting policies, in all material respects, have been consistently applied by the Company and are consistent with those used in the previous year. The financial statements are presented in Indian rupees.

#### 1.2 Use of Estimates

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

#### 1.3 Property, plant and equipment

##### Tangible Assets

Tangible Assets except land are stated at cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of freight, insurance, duties, levies, interest on specific borrowings attributable to acquisition / construction of fixed assets and all incidentals attributable to bringing the asset to its working condition for the intended use.

Borrowing costs relating to acquisition of Fixed Assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance, all other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the statement of profit and loss when the asset is derecognized.

##### Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Goodwill arising on acquisition of business is carried at cost as established at the date of acquisition of the business.

Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs which meet capitalization criteria, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Gains or losses arising from derecognition of an Intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

#### **1.4 Depreciation / Amortization**

##### **Tangible Assets**

Depreciation on Tangible Assets is provided on Straight Line Method (SLM) basis using the rates arrived at based on the useful lives as per Schedule II to the Companies Act, 2013.

##### **Intangible Assets**

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

##### **Amortization of Goodwill**

Goodwill arising out of acquisition of business is amortized over five years on a straight line basis.

#### **1.5 Impairment**

All the fixed assets are assessed for any indication of impairment, at the end of each financial year. On such indication, the impairment loss, being the excess of carrying value over the recoverable value of assets, is charged to the profit and loss account in the respective financial years. The impairment loss recognized in the prior years is reversed in cases where the recoverable value exceeds the carrying value, upon reassessment in the subsequent years.

For the purposes of impairment testing, Goodwill is allocated to each of the Company's cash generating units (CGUs) that are expected to benefit from the synergies of the combination. A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

#### **1.6 Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

#### **1.7 Foreign currency translation**

A foreign currency transaction is recorded, on initial recognition in the reporting currency (INR), by applying exchange rate prevailing on the date of the transaction.

On the balance sheet date, monetary items are reported using the closing foreign currency exchange rate.

Exchange differences arising on the settlement of transactions or on reporting the company's monetary items on the balance sheet date are recognised as income or expense for that period.

#### **1.8 Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue is recognized only when risks and rewards incidental to ownership are transferred to customers, it can be reliably measured and it is reasonable to expect ultimate collection. Sales are stated net of trade discount, duties and taxes.

##### **Interest**



Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other Income” in the statement of profit and loss.

#### **1.9 Retirement and other employee benefits**

##### **(A) Short-term employee benefits**

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, etc. and the expected cost of bonus, ex-gratia, and incentives are recognised in the period during which the employee renders the related service.

##### **(B) Post-employment benefits**

###### **(i) Defined contribution plan**

Since the number of employees of the Company is less than 20, Employee's Provident Fund is not applicable to the Company. Therefore, there is no contribution made under Provident Fund.

###### **(ii) Defined benefit plans**

Since the number of employees of the Company is less than 10, Gratuity is not applicable to the Company. Therefore, there is no contribution made under Gratuity.

#### **1.10 Taxation**

Tax expense comprises of current tax & deferred tax.

Current tax is measured as the amount expected to be paid to/recovered from the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is accounted for in accordance with Accounting Standard 22 on “Accounting for Taxes on Income”, (AS 22) issued by the Institute of Chartered Accountants of India. Deferred tax assets and liabilities are recognised for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent years and are measured using relevant enacted tax rates. The carrying amount of deferred tax assets at each Balance sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the deferred tax asset can be realised.

#### **1.11 Inventories**

Inventories encompass goods purchased and held for resale. Inventories are valued at the lower of cost and net realisable value. The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of inventories is assigned by using the first-in, first-out (FIFO) basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### **1.12 Trade Receivables**

Trade Receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade Receivables are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method, net of provision for impairment. The carrying value less impairment provision of trade receivables, are assumed to be approximate to their fair values.

#### **1.13 Cash and cash equivalents**

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

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and demand deposits

#### **1.14 Provisions, Contingent Liabilities and Contingent Assets**

A Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized in the financial statements. Contingent Assets are neither recognized nor disclosed in the financial statements.

#### **1.15 Earnings per Equity Share**

Basic earnings per share is calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. Potential equity shares are anti-dilutive when their conversion to equity shares would increase earnings per share from continuing ordinary activities or decrease loss per share from continuing ordinary activities.

#### **1.16 Rounding off**

All amounts disclosed in financial statements and notes have been rounded off to the nearest Lacs as per requirement of Schedule III of the Act, unless otherwise stated. Amounts represented by '0' (zero) construes value less than Rupees five thousand.

**Shine Fashions (India) Limited**  
**CIN: L17299MH2019PLC330440**  
**Notes Forming Part of Balance Sheet**

**Note 2 :- Equity share capital**

Particulars	31st March, 2022	31st March, 2021
<b>Authorised share capital</b>		
1,00,00,000 (Previous Year 50,00,000 equity shares of Rs. 10/- each) Equity Shares of Rs.5/- each	500.00	500.00
<b>Issued, subscribed &amp; paid-up share capital</b>		
27,98,000 (Previous Year 13,99,000 equity shares of Rs. 10 each fully paid up) Equity Shares Rs.10/- each fully paid up	139.90	139.90
<b>Total share capital</b>	<b>139.90</b>	<b>139.90</b>

**Note 2.1 : Reconciliation of number of shares outstanding is set out below:**

Particulars	31st March, 2022	31st March, 2021
Equity shares at the beginning of the year	13,99,000	13,99,000
Add: Sub division of shares in current financial year	13,99,000	-
<b>Equity shares at the end of the year</b>	<b>27,98,000</b>	<b>13,99,000</b>

Note 2.3 : There is no fresh issue or buyback of shares during the year.

Note 2.4 : The Company has sub-divided equity shares from nominal value of Rs. 10/- each fully paid up at the beginning of the year into 2 (two) equity shares of Rs. 5/- each fully paid up.

Note 2.5 : There is a change in the number of shares outstanding at the beginning and at the end of the year as a result of sub-division of shares as stated above.

**Note 2.6: Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of the shareholder	31st March, 2022		31st March, 2021	
	Number of shares	% of holding	Number of shares	% of holding
Anil Zaverchand Mehta	5,99,400	21.42%	2,99,700	21.42%
Anish Anil Mehta	8,01,000	28.60%	4,00,050	28.60%
Binal Anil Sanghavi	6,01,000	21.45%	3,00,050	21.45%

**Note 2.7: Shares held by promoters at the end of the year**

	Promoter Name	31st March, 2022		31st March, 2021	
		No. of Shares	% of total shares	No. of Shares	% of total shares
1	Anil Zaverchand Mehta	5,99,400	21.42%	2,99,700	21.42%
2	Anish Anil Mehta	8,01,000	28.60%	4,00,500	28.60%
3	Mrs. Purvi Anil Sanghavi	50	0.50%	50	0.50%
4	Binal Anil Sanghavi	6,01,000	21.45%	3,00,500	21.45%

**Note 3: Other Equity**

Particulars	31st March, 2022	31st March, 2021
<b>(A) Securities Premium</b>		
Balance as at the beginning of the year	302.82	198.10
Add: Additions during the year	-	119.70
Less: Issue expenses	-	14.98
<b>Balance as at the end of the year</b>	<b>302.82</b>	<b>302.82</b>
<b>(B) Retained earnings</b>		
Balance as at the beginning of the year	57.43	34.48
Add:- Profit / (Loss) for the Current Year	39.29	22.95
<b>Balance as at the end of the year</b>	<b>96.72</b>	<b>57.43</b>
<b>Total (A+B)</b>	<b>399.54</b>	<b>360.25</b>

**Note 4: Deferred tax liability**

Particulars	31st March, 2022	31st March, 2021
Deferred tax liability	0.08	0.09
<b>Total</b>	<b>0.08</b>	<b>0.09</b>

**Note 5: Short term borrowings**

Particulars	31st March, 2022	31st March, 2021
Loans from Financial Institutions:		
ICICI Bank Overdraft Account	54.07	70.60
<b>TOTAL</b>	<b>54.07</b>	<b>70.60</b>

**Terms and conditions of loans**

1. Bank Overdraft from ICICI Bank is secured by way of hypothecation of the company entire stocks of raw materials, work in progress, finished goods, consumable stores and spares and such other movables including book debts, bills.
2. Unconditional and irrevocable personal guarantees of Directors
3. Exclusive charges by way of extension of equitable mortgage of office situated at 605, 6th Floor, Marathon Chambers, Mulund (West) - 400 080

**Note 6 : Trade payables**

Particulars	31st March, 2022	31st March, 2021
Total outstanding dues of micro enterprises and small enterprises	-	0.12
Total outstanding dues of creditors other than micro enterprises and small enterprises	82.81	25.81
<b>Total</b>	<b>82.81</b>	<b>25.93</b>

Note 6.1 : Steps have been taken to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March 2022, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act, is not expected to be material.

**Trade Payables ageing schedule: As at 31st March,2022**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	73.36	-	9.45	-	82.81
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Trade Payables ageing schedule: As at 31st March 2021**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.12	-	-	-	0.12
(ii) Others	17.13	8.68	-	-	25.81
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Note 7 : Other Current Liabilities**

Particulars	31st March, 2022	31st March, 2021
<b>Statutory Dues:</b>		
TDS Payable	0.68	0.55
Profession Tax Payable	-	0.09
<b>Other Dues:</b>		
Advance from customers	2.62	0.41
Outstanding expenses	0.03	8.46
<b>Total</b>	<b>3.33</b>	<b>9.51</b>

**Note 8 : Short Term Provisions**

<b>Particulars</b>	<b>31st March, 2022</b>	<b>31st March, 2021</b>
Provision for income tax for F.Y. 2020-21	5.90	5.90
Provision for income tax for F.Y. 2021-22	13.50	-
Provision for expenses	0.99	-
<b>Total</b>	<b>20.39</b>	<b>5.90</b>

Shine Fashions (India) Limited

Note 9 :- Property, plant & equipments

Tangible Assets

Details of Assets	Gross Block				Accumulated Depreciation				Net Block	
	As at 01.04.2021	Additions	Deductions	Total	As at 01.04.2021	For The Year	Deductions	As on 31.03.2022	As At 31.03.2022	As At 31.03.2021
<b>TANGIBLE ASSETS</b>										
Computers	0.50	-	-	0.50	0.19	0.16	-	0.35	0.15	0.31
Office equipments	-	0.11	-	0.11	-	0.00	-	0.00	0.11	-
<b>Total (A)</b>	<b>0.50</b>	<b>0.11</b>	<b>-</b>	<b>0.61</b>	<b>0.19</b>	<b>0.16</b>	<b>-</b>	<b>0.35</b>	<b>0.26</b>	<b>0.31</b>
<b>INTANGIBLE ASSETS</b>										
Goodwill	4.03	-	-	4.03	0.81	0.81	-	1.61	2.42	3.22
<b>Total (B)</b>	<b>4.03</b>	<b>-</b>	<b>-</b>	<b>4.03</b>	<b>0.81</b>	<b>0.81</b>	<b>-</b>	<b>1.61</b>	<b>2.42</b>	<b>3.22</b>
<b>Total (A+B)</b>	<b>4.53</b>	<b>0.11</b>	<b>-</b>	<b>4.64</b>	<b>1.00</b>	<b>0.97</b>	<b>-</b>	<b>1.96</b>	<b>2.67</b>	<b>3.53</b>
Previous Year	4.53	-	-	4.53	0.03	0.97	-	1.00	3.53	

**Shine Fashions (India) Limited**  
**CIN: L17299MH2019PLC330440**  
**Notes Forming Part of Balance Sheet**

**Note 10 : Non current investment**

	Particulars	31st March, 2022	31st March, 2021
	<b>Unquoted Investments</b>		
a.	Investment in Shinetex	0.50	-
	<b>Total</b>	<b>0.50</b>	<b>-</b>

**Note 11 : Long term loans and advances**

	Particulars	31st March, 2022	31st March, 2021
I)	<b><u>Security deposit</u></b>		
	BSE LTD Deposits	1.60	1.60
	CDSL Deposits	0.10	0.10
	NSDL Deposits	0.10	0.10
	Rent Deposit	0.50	0.50
II)	<b><u>Other loans &amp; advances</u></b>		
	Loan to Shinetex Industries Pvt. Ltd.	17.32	-
	<b>Total</b>	<b>19.62</b>	<b>2.30</b>

**Note 12 : Inventories**

	Particulars	31st March, 2022	31st March, 2021
1	Textile products*	38.01	36.85
	<b>Total</b>	<b>38.01</b>	<b>36.85</b>

\*Hypothecated as charge against short term-borrowings. Refer note 4.

**Note 13 : Trade receivables**

	Particulars	31st March, 2022	31st March, 2021
1	<b>Outstanding for more than six months</b>		
	a) Secured, considered good	-	34.45
	b) Unsecured, considered good	-	-
	c) Doubtful	-	-
2	<b>Others</b>		
	a) Secured, considered good	583.75	491.42
	b) Unsecured, considered good	-	-
	c) Doubtful	-	-
	<b>Total</b>	<b>583.75</b>	<b>525.87</b>

**Trade Receivables ageing schedule as at 31st March,2022**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	more then 3 Years	Total
(i) Undisputed Trade receivables -considered good	570.42	10.83	2.06	0.44	-	583.75
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

**Trade Receivables ageing schedule as at 31st March,2021**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	more then 3 Years	Total
(i) Undisputed Trade receivables -considered good	414.38	108.51	2.99	-	-	525.87
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

**Note 14 : Cash and bank balances**

	Particulars	31st March, 2022	31st March, 2021
	Cash on hand	1.18	1.67
	Bank Account	2.73	2.46
	<b>Total</b>	<b>3.91</b>	<b>4.13</b>

**Note 15 : Short terms loans and advances**

	Particulars	31st March, 2022	31st March, 2021
1	GST Input Tax Credit	9.11	1.68
2	Self Assesment Tax FY 2020-21 (AY 2021-22)	6.34	-
3	<b>Others</b>		
	Advance to Creditors	23.24	37.79
	Prepaid Expenses	-	0.03
	Custom Duty Credit Scrips	12.96	-
	<b>Total</b>	<b>51.65</b>	<b>39.50</b>



**Shine Fashions (India) Limited**  
**CIN: L17299MH2019PLC330440**  
**Notes Forming Part of Statement of Profit & Loss**

(Rupees in Lacs)

**Note 16 : Revenue from operations**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Sales of products	1,208.29	688.07
	<b>Total</b>	<b>1,208.29</b>	<b>688.07</b>

**Note 17 : Other income**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Foreign Exchange Gain/Loss	3.97	4.64
2	Interest On Fd	0.05	0.00
3	Profit on sale of Machine	0.20	-
4	License Gain	7.77	0.37
5	Discount	0.11	-
	<b>Total</b>	<b>12.10</b>	<b>5.01</b>

**Note 18 : Purchase of stock in trade**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Purchase of stock in trade	1,103.52	620.58
	<b>Total</b>	<b>1,103.52</b>	<b>620.58</b>

**Note 19 : Change in inventories**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Stock at the Beginning of the Year	36.86	41.42
	Stock at the Ending of the Year	38.01	36.86
	<b>Total</b>	<b>(1.15)</b>	<b>4.56</b>

**Note 20 : Employment benefit expenses**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Salaries and Incentive	9.66	6.96
	Director remuneration	12.35	10.00
	Staff Welfare	0.61	0.39
	<b>Total</b>	<b>22.62</b>	<b>17.35</b>

**Note 21 : Financial cost**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Bank Charges	0.97	1.37
2	Interest on CC Bank Account	5.76	0.51
	<b>Total</b>	<b>6.73</b>	<b>1.88</b>

**Note 22 : Depreciation and amortisation cost**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Amortization of Goodwill	0.81	0.81
2	Depreciation on Tangible Assets	0.16	0.15
	<b>Total</b>	<b>0.97</b>	<b>0.96</b>

**Note 23 : Other expenses**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Job work on textile products	7.49	2.71
2	Freight	9.05	6.88
3	Stores, consumables and packing materials	5.51	0.98
4	Listing Expenses	2.06	-
5	Audit Fees	0.60	0.60

6	Office Expenses	0.81	0.28
7	Legal & Professional Fees	1.96	1.41
8	Electricity Expenses	0.26	0.16
9	Statutory fees & taxes	0.09	0.14
10	Travelling Expense	1.49	1.07
11	Telephone and internet expenses	0.16	0.09
12	Rent	5.28	5.74
13	Repairs & Maintenance	0.07	0.03
14	Printing & Stationery	0.10	0.62
15	Miscellaneous Expenses	0.00	0.01
17	Accounting Charges	-	0.18
18	Prior period expense	-	0.68
	<b>Total</b>	<b>34.93</b>	<b>21.58</b>

**Note 24: Earning per share**

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Net profit after tax	39.29	22.95
2	Weighted average number of equity shares	27,98,000	23,32,500
	<b>Earning per share (face value of Rs.5/-fully paid)</b>	<b>1.40</b>	<b>0.98</b>

**Note 25 : Related Parties Disclosure**

Names of related parties and description of relationship :

Name	Nature of Relationship
Anil zaverchand Mehta	Director
Mr. Anish Anil Mehta	Independent Director
Ms. Nidhi Jain	Company Secretary
Shine Fashion (Proprietorship of Binal Anish Mehta)	Entities where KMP/Director have significant influence
ShineTex Industries Pvt Ltd	Subsidiary
Nikita Mange	Independent Director
Nikita Shah	Independent Director
Priyank Doshi	Independent Director

RELATED PARTY TRANSACTIONS		
PARTICULARS	31-Mar-22	31-Mar-21
<b>A) TRANSACTIONS DURING THE YEAR</b>		
<u>Directors</u>		
<u>Sitting Fees</u>		
Anil zaverchand Mehta	0.20	-
Nikita Mange	0.05	-
Nikita Shah	0.05	-
Priyank Doshi	0.05	-
<u>Loan from Director</u>		
Mr. Anish Anil Mehta	22.00	
<u>Director Remuneration</u>		
Mr. Anish Anil Mehta	12.00	10.00
<b>B) Subsidiary Company</b>		
<u>Loan to Subsidiary Company</u>		
Shinetex	17.33	
<u>Sale of Fixed Asset</u>		
Power Dot Roller	2.36	
<u>Allotment of shares</u>		
Shares in Shinetex	0.50	
<u>Key Managerial Person</u>		
<b>C) Salary Payable</b>		
Nidhi Jain	1.80	0.15
Mrs. Binal Anish Mehta	1.92	-
<u>Relative of Directors</u>		
<b>D) Rent</b>		
Mrs. Indu Anil Mehta	2.86	3.29
<b>CLOSING BALANCE</b>		
<u>Key Management Personnel</u>		
<b>A) Remuneration Payable</b>		
Anil zaverchand Mehta	0.20	-
Nikita Mange	0.05	-
Nikita Shah	0.05	-
Priyank Doshi	0.05	-
Mr. Anish Anil Mehta	0.39	-
<b>B) Loan to subsidiary</b>		
ShineTex Industries Pvt Ltd	17.33	-
Receipt of sale of Fixed asset	2.36	-
<b>C) Relative of Directors</b>		
<u>Rent Payable</u>		
Mrs. Indu Anil Mehta	2.86	1.23

**Note No. 26 Financial Ratio**

S No.	Ratio	Particulars		Ratio as on	Ratio as on	Variation	Reason (if variation is more than 25%)
		Numerator	Denominator	March 31, 2022	March 31, 2021		
(a)	Current Ratio	Current Assets= Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale	Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liability	4.22	5.42	0.22	
(b)	Debt-Equity Ratio	Debt= long term borrowing and current maturities of long-term borrowings and redeemable preference shares treated as financial liability	Equity= Equity + Reserve and Surplus	-	-	0.00	
(c)	Debt Service Coverage Ratio	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments	8.16	50.21	0.84	Debt Service Coverage Ratio of previous year was high because overdraft facility was obtained toward end of financial year. As a result, interest for only 2 months was payable in previous financial year.
(d)	Return on Equity Ratio	Net Income= Net Profits after taxes - Preference Dividend	Shareholder's Equity	0.07	0.05	-0.59	Ratio has improved due to increase in Revenue and profit.
(e)	Inventory Turnover Ratio	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	-	-	0.00	
(f)	Trade Receivables Turnover Ratio	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	2.18	1.60	-0.36	Ratio has improved due to significant increase in Revenue and marginal increase in Trade Receivable.
(g)	Trade Payables Turnover Ratio	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	20.30	13.96	-0.45	Ratio has improved due to better working capital management.
(h)	Net Capital Turnover Ratio	Revenue	Average Working Capital= Average of Current assets - Current liabilities	2.34	1.39	-0.68	Ratio has improved due to increase in revenue and better working capital management.
(i)	Net Profit Ratio	Net Profit	Net Sales	0.03	0.03	0.02	
(j)	Return on Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	0.11	0.05	-1.03	Ratio has improved due to increase in revenue and effective control over costs.
(k)	Return on Investment	Net Profit	Net Investment= Net Equity	0.11	0.05	-1.03	Ratio has improved due to increase in revenue and effective control over costs.

**Shine Fashions (India) Limited**  
**Notes Forming Part of the Accounts**

**27 Auditors' Remuneration (excluding GST)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Statutory Audit Fees	0.60	0.60
Reimbursement of Expenses	-	-
<b>Total</b>	<b>0.60</b>	<b>0.60</b>

**28 (a) Earnings in Foreign Currency:**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Export of goods	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**29 Value of Imports Calculated on CIF Basis**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Raw materials	-	-
Stock-in-trade	511.43	344.05
Capital goods	-	-
<b>Total</b>	<b>511.43</b>	<b>344.05</b>

**30 Contingent liability and commitments**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Contingent liabilities (to the extent not provided for)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**31 Segment Reporting**

As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided in terms of Accounting Standard 17 on 'Segment Reporting'.

**32** In the opinion of the Board, Current Assets and Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

**33** Creditors, Debtors (Including Credit Balances) Advances etc, are subject to confirmation and reconciliation.

**34** The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

**35** The Company has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

**36** The Company does not have any transactions with struck-off companies.

**37** The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

**38** The Company has one subsidiary viz ShineTex Industries Pvt Ltd

**39** The Company does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 ( such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

- 40** The company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;
- 1.** 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
  - 2.** Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 41** The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
- 1.** 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
  - 2.** Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 42** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 43** The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company has opted to continue with the Section 115BAA regime for the current financial year.

44 The figures of previous year have been regrouped / reclassified wherever necessary.

As per our report of even date  
For Thakur Vaidyanath Aiyar & Co  
Chartered Accountants  
Firm Registration No.: 000038N

For and on Behalf of the Board

C V Parameswar  
Partner  
Membership No.: 011541  
Place: Mumbai  
Date: May 30, 2022

Anish A. Mehta      Anil Z. Mehta  
Director              Director  
DIN: 08560153      DIN: 08560132

Nidhi Jain              Binal Mehta  
Company Secretary    CFO  
ACS: 40056

**Shine Fashions (India) Limited**  
**CIN: L17299MH2019PLC330440**  
**Consolidated Balance Sheet as at 31st March, 2022**

(Amount in Lacs)

Particulars	Note No	As at 31st March 2022	As at 31st March 2021
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's funds</b>			
(a) Share share capital	2	139.90	139.90
(b) Other equity	3	400.07	360.26
		539.97	500.16
(c) Minority Interest		1.21	-
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings	4	17.33	-
(a) Deferred tax liability (net)	5	0.45	0.09
		17.78	0.09
<b>(3) Current liabilities</b>			
(a) Short term Borrowings	6	54.07	70.60
(b) Trade payables	7		
(A) total outstanding dues of micro enterprises and small enterprises;		-	0.12
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		102.17	25.81
(c) Other current liabilities	8	3.41	9.51
(d) Short-term provisions	9	20.49	5.90
		180.14	111.94
<b>Total</b>		<b>739.10</b>	<b>612.19</b>
<b>II.Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	10		
(i) Property, plant and equipment		16.21	0.31
(ii) Intangible assets		2.42	3.22
(b) Long term loans and advances	11	4.75	2.30
		23.38	5.83
<b>(2) Current assets</b>			
(a) Inventories	12	42.08	36.85
(b) Trade receivables	13	603.37	525.87
(c) Cash and cash equivalents	14	8.84	4.13
(d) Short-term loans and advances	15	61.43	39.51
		715.72	606.36
<b>Total</b>		<b>739.10</b>	<b>612.19</b>

Significant accounting policies 1 - -  
Notes referred to above form an integral part of the Financial Statements.

As per our report of even date  
For Thakur Vaidyanath Aiyar & Co  
Chartered Accountants  
Firm Registration No.: 000038N

For & On Behalf of the Board

Anish A. Mehta  
Director  
DIN: 08560153

Anil Z. Mehta  
Director  
DIN: 08560132

C V Parameswar  
Partner  
Membership No.: 011541  
Place: Mumbai

Nidhi Jain  
Company Secretary

Binal Mehta  
CFO



**Shine Fashions (India) Limited**

**CIN: L17299MH2019PLC330440**

**Consolidated Statement of Profit and Loss for the year ended 31st March, 2022**

(Rupees in Lacs)

Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Revenue from operations	16	1,275.49	688.07
Other income	17	11.90	5.02
<b>Total Income</b>		<b>1,287.39</b>	<b>693.09</b>
<b><u>Expenses:</u></b>			
Purchase of stock in trade	18	1,154.47	620.58
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	19	(1.15)	4.56
Employee benefit expense	20	27.42	17.35
Finance costs	21	6.73	1.88
Depreciation and amortisation cost	22	1.47	0.96
Other expenses	23	43.97	21.59
<b>Total expenses</b>		<b>1,232.91</b>	<b>666.92</b>
<b>Profit before tax</b>		<b>54.48</b>	<b>26.17</b>
Tax expense:			
(1) Current tax		13.60	5.90
(2) Deferred tax	5	0.36	(2.69)
<b>Profit after tax</b>		<b>40.52</b>	<b>22.96</b>
Minority Share		0.71	-
<b>Profit/(Loss) for the period</b>		<b>39.81</b>	<b>22.96</b>
Earning per equity share:	24		
Face value per equity shares Rs.5/- fully paid up.			
(1) Basic		1.42	0.98
(2) Diluted		1.42	0.98

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date  
For Thakur Vaidyanath Aiyar & Co  
Chartered Accountants  
Firm Registration No.: 000038N

For & On Behalf of the Board

Anish A. Mehta  
Director  
DIN: 08560153

Anil Z. Mehta  
Director  
DIN: 08560132

C V Parameswar  
Partner  
Membership No.: 011541  
Place: Mumbai  
Date: May 30, 2022

Nidhi Jain  
Company Secretary  
ACS: 40056

Binal Mehta  
CFO

<b>Shine Fashions (India) Limited</b>		
<b>CIN: L17299MH2019PLC330440</b>		
<b>Consolidated Cash Flow Statement For the year ended 31st March, 2022</b>		
<b>(Rs. in Lacs)</b>		
<b>Particulars</b>	<b>For the Year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax and extraordinary items	54.48	26.17
Adjustments for:		
Depreciation and amortisation expense	1.47	0.96
Short-term Provisions	-	1.08
Interest expenses & Bank Charges	6.73	1.88
Interest and other income on investments	(0.05)	(0.00)
Operating profit / (loss) before working capital changes	62.63	30.09
Changes in working capital:		
Increase / (Decrease) in trade payable	76.23	(37.03)
Increase / (Decrease) in other current liabilities	(5.11)	(7.10)
(Increase) / Decrease in loan and advances	(18.04)	(13.49)
(Increase) / Decrease in trade receivables	(77.49)	(190.92)
(Increase) / Decrease in inventories	(5.23)	4.57
<b>CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES</b>	<b>32.99</b>	<b>(213.88)</b>
Less: Taxes paid	(5.83)	(10.44)
<b>NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES</b>	<b>27.16</b>	<b>(224.32)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of tangible / intangible assets	(16.56)	-
Dividend/ bank interest received	0.05	0.00
<b>NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES</b>	<b>(16.51)</b>	<b>0.00</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Financial Expenses	(6.73)	(1.88)
Issue Expenses	-	(4.29)
Increase in Capital	-	159.60
Increase / (Decrease) in Long Term Borrowings	17.32	-
Increase / (Decrease) in Short Term Borrowings	(16.53)	70.60
<b>NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES</b>	<b>(5.94)</b>	<b>224.03</b>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>4.71</b>	<b>(0.29)</b>
Cash and Cash equivalents at beginning period	4.13	4.42
Cash and Cash equivalents at end of period	8.84	4.13
<b>D. Cash and Cash equivalents comprise of</b>		
Cash on hand	4.53	1.67
Bank Balance	4.31	2.46
<b>Total</b>	<b>8.84</b>	<b>4.13</b>
<p>As per our report of even date For Thakur Vaidyanath Aiyar &amp; Co Chartered Accountants Firm Registration No.: 000038N</p>		
<p>For &amp; On Behalf of the Board</p>		
<p>Anish A. Mehta                      Anil Z. Mehta Director                                  Director DIN: 08560153                      DIN: 08560132</p>		
<p>C V Parameswar Partner Membership No.: 011541 Place: Mumbai Date: May 30, 2022</p>		
<p>Nidhi Jain                                  Binal Mehta Company Secretary                  CFO ACS: 40056</p>		

Shine Fashion (India) Limited  
Consolidated Statement of changes in equity for the year ended March 31, 2022

(Amount in Lacs)

(A) Equity share capital	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Particulars				
Equity shares of ₹ 5/- each issued, subscribed and fully paid				
Opening balance	13,99,000	139.90	13,99,000	139.90
Changes in equity share capital during the year	13,99,000	-	-	-
Closing balance	27,98,000	139.90	13,99,000	139.90

(B) Other equity

	Reserve and surplus		Total
	Security Premium	Retained earnings	
Balance as at April 01, 2021	302.82	57.44	360.26
Profit for the year	-	39.81	39.81
Addition during the year	-	-	-
Less: Issue expenses	-	-	-
Balance as at March 31, 2022	302.82	97.25	400.07

	Reserve and surplus		Total
	Security Premium	Retained earnings	
Balance as at April 01, 2020	198.10	34.48	232.58
Profit for the year	-	22.96	22.96
Addition during the year	119.70	-	119.70
Less: Issue expenses	14.98	-	14.98
Balance as at March 31, 2021	302.82	57.44	360.26

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date

For THAKUR VAIDYANATH AIYAR & CO.

Chartered Accountants

ICAI Firm Registration No.: 000038N

For & On Behalf of the Board

Anish A. Mehta

Director

DIN: 08560153

Anil Z. Mehta

Director

DIN: 08560132

C V Parameswar

Partner

Membership No.: 011541

Place: Mumbai

Date: May 30, 2022

Nidhi Jain

Company Secretary

ACS: 40056

Binal Mehta

CFO

## Shine Fashions (India) Limited

Consolidated Notes Forming Part of Financial Statements for the year ended 31st March, 2022

### Corporate Information:

Shine Fashions (India) Limited was incorporated on 11th September, 2019. The company is engaged in the business of import and trading of various types of fabrics and textile raw materials. The company took over the business of proprietorship firm AM FABRICS on 30th September, 2019.

## 1 Significant Accounting Policies:

### 1.1 Basis of Preparation of Financial Statements

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2015. The financial statements are prepared on accrual basis under the historical cost convention. The accounting policies, in all material respects, have been consistently applied by the Company and are consistent with those used in the previous year. The financial statements are presented in Indian rupees.

### 1.2 Use of Estimates

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

### 1.3 Property, plant and equipment

#### Tangible Assets

Tangible Assets except land are stated at cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of freight, insurance, duties, levies, interest on specific borrowings attributable to acquisition / construction of fixed assets and all incidentals attributable to bringing the asset to its working condition for the intended use.

Borrowing costs relating to acquisition of Fixed Assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance, all other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the statement of profit and loss when the asset is derecognized.

#### Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Goodwill arising on acquisition of business is carried at cost as established at the date of acquisition of the business.

Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs which meet capitalization criteria, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Gains or losses arising from derecognition of an Intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

### 1.4 Depreciation / Amortization

#### Tangible Assets

Depreciation on Tangible Assets is provided on Straight Line Method (SLM) basis using the rates arrived at based on the useful lives as per Schedule II to the Companies Act, 2013.

#### Intangible Assets

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

#### **Amortization of Goodwill**

Goodwill arising out of acquisition of business is amortized over five years on a straight line basis.

#### **1.5 Impairment**

All the fixed assets are assessed for any indication of impairment, at the end of each financial year. On such indication, the impairment loss, being the excess of carrying value over the recoverable value of assets, is charged to the profit and loss account in the respective financial years. The impairment loss recognized in the prior years is reversed in cases where the recoverable value exceeds the carrying value, upon reassessment in the subsequent years.

For the purposes of impairment testing, Goodwill is allocated to each of the Company's cash generating units (CGUs) that are expected to benefit from the synergies of the combination. A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

#### **1.6 Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

#### **1.7 Foreign currency translation**

A foreign currency transaction is recorded, on initial recognition in the reporting currency (INR), by applying exchange rate prevailing on the date of the transaction.

On the balance sheet date, monetary items are reported using the closing foreign currency exchange rate.

Exchange differences arising on the settlement of transactions or on reporting the company's monetary items on the balance sheet date are recognised as income or expense for that period.

#### **1.8 Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue is recognized only when risks and rewards incidental to ownership are transferred to customers, it can be reliably measured and it is reasonable to expect ultimate collection. Sales are stated net of trade discount, duties and taxes.

#### **Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other Income" in the statement of profit and loss.

#### **1.9 Retirement and other employee benefits**

#### **(A) Short-term employee benefits**

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, etc. and the expected cost of bonus, ex-gratia, and incentives are recognised in the period during which the employee renders the related service.

#### **(B) Post-employment benefits**

##### **(i) Defined contribution plan**

Since the number of employees of the Company is less than 20, Employee's Provident Fund is not applicable to the Company. Therefore, there is no contribution made under Provident Fund.

##### **(ii) Defined benefit plans**

Since the number of employees of the Company is less than 10, Gratuity is not applicable to the Company. Therefore, there is no contribution made under Gratuity.

#### **1.10 Taxation**

Tax expense comprises of current tax & deferred tax.

Current tax is measured as the amount expected to be paid to/recovered from the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is accounted for in accordance with Accounting Standard 22 on "Accounting for Taxes on Income", (AS 22) issued by the Institute of Chartered Accountants of India. Deferred tax assets and liabilities are recognised for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent years and are measured using relevant enacted tax rates. The carrying amount of deferred tax assets at each Balance sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the deferred tax asset can be realised.

#### **1.11 Inventories**

Inventories encompass goods purchased and held for resale. Inventories are valued at the lower of cost and net realisable value. The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of inventories is assigned by using the first-in, first-out (FIFO) basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### **1.12 Trade Receivables**

Trade Receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade Receivables are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method, net of provision for impairment. The carrying value less impairment provision of trade receivables, are assumed to be approximate to their fair values.

#### **1.13 Cash and cash equivalents**

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

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and demand deposits.

#### **1.14 Provisions, Contingent Liabilities and Contingent Assets**

A Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized in the financial statements. Contingent Assets are neither recognized nor disclosed in the financial statements.

#### **1.15 Earnings per Equity Share**

Basic earnings per share is calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. Potential equity shares are anti-dilutive when their conversion to equity shares would increase earnings per share from continuing ordinary activities or decrease loss per share from continuing ordinary activities.

#### **1.16 Rounding off**

All amounts disclosed in financial statements and notes have been rounded off to the nearest Lacs as per requirement of Schedule III of the Act, unless otherwise stated. Amounts represented by '0' (zero) construes value less than Rupees five thousand.

**Shine Fashions (India) Limited**  
**CIN: L17299MH2019PLC330440**  
**Consolidated Notes Forming Part of Balance Sheet**

**Note 2 :- Share share capital**

Particulars	31st March, 2022	31st March, 2021
<b>Authorised share capital</b>		
1,00,00,000 (Previous Year 50,00,000 equity shares of Rs. 10/- each) Equity Shares of Rs.5/- each	500.00	500.00
<b>Issued, subscribed &amp; paid-up share capital</b>		
27,98,000 (Previous Year 13,99,000 equity shares of Rs. 10 each fully paid up) Equity Shares Rs.10/- each	139.90	139.90
<b>Total share capital</b>	<b>139.90</b>	<b>139.90</b>

**Note 2.1 : Reconciliation of number of shares outstanding is set out below:**

Particulars	31st March, 2022	31st March, 2021
Equity shares at the beginning of the year	13,99,000	13,99,000
Add: Sub division of shares in current financial year	13,99,000	-
<b>Equity shares at the end of the year</b>	<b>27,98,000</b>	<b>13,99,000</b>

Note 2.3 : There is no fresh issue or buyback of shares during the year.

Note 2.4 : The Company has sub-divided equity shares from nominal value of Rs. 10/- each fully paid up at the beginning of the year into 2 (two) equity shares of Rs. 5/- each fully paid up.

Note 2.5 : There is a change in the number of shares outstanding at the beginning and at the end of the year as a result of sub-division of shares as stated above.

**Note 2.6: Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of the shareholder	31st March, 2022		31st March, 2021	
	Number of shares	% of holding	Number of shares	% of holding
1 Anil Zaverchand Mehta	5,99,400	21.42%	2,99,700	21.42%
2 Anish Anil Mehta	8,01,000	28.60%	4,00,050	28.60%
3 Binal Anil Sanghavi	6,01,000	21.45%	3,00,050	21.45%

**Note 2.7: Shares held by promoters at the end of the year**

Promoter Name	31st March, 2022		31st March, 2021	
	No. of Shares	% of total shares	No. of Shares	% of total shares
1 Anil Zaverchand Mehta	5,99,400	21.42%	2,99,700	21.42%
2 Anish Anil Mehta	8,01,000	28.60%	4,00,500	28.60%
3 Mrs. Purvi Anil Sanghavi	50	0.50%	50	0.50%
4 Binal Anil Sanghavi	6,01,000	21.45%	3,00,500	21.45%

**Note 3: Other equity**

Particulars	31st March, 2022	31st March, 2021
<b>(A) Securities Premium</b>		
Balance as at the beginning of the year	302.82	198.10
Add: Additions during the year	-	119.70
Less: Issue expenses	-	14.98
<b>Balance as at the end of the year</b>	<b>302.82</b>	<b>302.82</b>
<b>(B) Retained earnings</b>		
Balance as at the beginning of the year	57.44	34.48
Add:- Profit / (Loss) for the Current Year	39.81	22.96
<b>Balance as at the end of the year</b>	<b>97.25</b>	<b>57.44</b>
<b>Total (A+B)</b>	<b>400.07</b>	<b>360.26</b>

**Note 4 : Long term borrowings**

Particulars	31st March, 2022	31st March, 2021
<b>Unsecured Loans</b>		
Siddhant G .Dotia	17.33	-
<b>TOTAL</b>	<b>17.33</b>	<b>-</b>



**Note 5: Deferred tax liability**

Particulars	31st March, 2022	31st March, 2021
Deferred tax liability	0.45	0.09
<b>Total</b>	<b>0.45</b>	<b>0.09</b>

**Note 6 : Short term borrowings**

Particulars	31st March, 2022	31st March, 2021
Loans from Financial Institutions:		
ICICI Bank Overdraft Account	54.07	70.60
<b>TOTAL</b>	<b>54.07</b>	<b>70.60</b>

**Terms and conditions of loans**

1. Bank Overdraft from ICICI Bank is secured by way of hypothecation of the company entire stocks of raw materials, work in progress, finished goods, consumable stores and spares and such other movables including book debts, bills.
2. Unconditional and irrevocable personal guarantees of Directors
3. Exclusive charges by way of extension of equitable mortgage of office situated at 605, 6th Floor, Marathon Chambers, Mulund (West) - 400 080

**Note 7 : Trade payables**

Particulars	31st March, 2022	31st March, 2021
Total outstanding dues of micro enterprises and small enterprises	-	0.12
Total outstanding dues of creditors other than micro enterprises and small enterprises	102.17	25.81
<b>Total</b>	<b>102.17</b>	<b>25.93</b>

Note 6.1 : Steps have been taken to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March 2022, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act, is not expected to be material.

**Trade Payables ageing schedule: As at 31st March,2022**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	92.72	-	9.45	-	102.17
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Trade Payables ageing schedule: As at 31st March 2021**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.12	-	-	-	0.12
(ii) Others	17.13	8.68	-	-	25.81
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Note 8 : Other Current Liabilities**

Particulars	31st March, 2022	31st March, 2021
<b>Statutory Dues:</b>		
TDS Payable	0.71	0.55
Profession Tax Payable	0.05	0.09
<b>Other Dues:</b>		
Advance from customers	2.62	0.41
Outstanding expenses	0.03	8.46
<b>Total</b>	<b>3.41</b>	<b>9.51</b>

**Note 9: Short Term Provisions**

Particulars	31st March, 2022	31st March, 2021
Provision for income tax for F.Y. 2020-21	5.90	5.90
Provision for income tax for F.Y. 2021-22	13.60	-
Provision for expenses	0.99	-
<b>Total</b>	<b>20.49</b>	<b>5.90</b>

Shine Fashions (India) Limited

Note 10:- Property, plant & equipments

Tangible Assets

Details of Assets	Gross Block				Accumulated Depreciation				Net Block	
	As at 01.04.2021	Additions	Deductions	Total	As at 01.04.2021	For The Year	Deductions	As on 31.03.2022	As At 31.03.2022	As At 31.03.2021
<b>TANGIBLE ASSETS</b>										
Plant & machinery	-	15.53	-	15.53	-	0.42	-	0.42	15.11	-
Computers	0.50	-	-	0.50	0.19	0.16	-	0.35	0.15	0.31
Furniture & fixtures	-	0.50	-	0.50	-	0.04	-	0.04	0.46	-
Office equipments	-	0.53	-	0.53	-	0.04	-	0.04	0.49	-
<b>Total (A)</b>	<b>0.50</b>	<b>16.56</b>	<b>-</b>	<b>17.06</b>	<b>0.19</b>	<b>0.66</b>	<b>-</b>	<b>0.85</b>	<b>16.21</b>	<b>0.31</b>
<b>INTANGIBLE ASSETS</b>										
Goodwill	4.03	-	-	4.03	0.81	0.81	-	1.61	2.42	3.22
<b>Total (B)</b>	<b>4.03</b>	<b>-</b>	<b>-</b>	<b>4.03</b>	<b>0.81</b>	<b>0.81</b>	<b>-</b>	<b>1.61</b>	<b>2.42</b>	<b>3.22</b>
<b>Total (A+B)</b>	<b>4.53</b>	<b>16.56</b>	<b>-</b>	<b>21.09</b>	<b>1.00</b>	<b>1.46</b>	<b>-</b>	<b>2.46</b>	<b>18.63</b>	<b>3.53</b>
Previous Year	4.53	-	-	4.53	0.03	0.97	-	1.00	3.53	

**Shine Fashions (India) Limited**  
**CIN: L17299MH2019PLC330440**  
**Consolidated Notes Forming Part of Balance Sheet**

**Note 11 : Long term loans and advances**

	Particulars	31st March, 2022	31st March, 2021
I)	<u>Security deposit</u>		
	BSE LTD Deposits	1.60	1.60
	CDSL Deposits	0.10	0.10
	NSDL Deposits	0.10	0.10
	Rent Deposit	0.50	0.50
	Electricity deposit	2.45	-
	<b>Total</b>	<b>4.75</b>	<b>2.30</b>

**Note 12 : Inventories**

	Particulars	31st March, 2022	31st March, 2021
1	Textile products*	42.08	36.85
	<b>Total</b>	<b>42.08</b>	<b>36.85</b>

\*Hypothecated as charge against short term-borrowings. Refer note 4.

**Note 13 : Trade receivables**

	Particulars	31st March, 2022	31st March, 2021
1	<b>Outstanding for more than six months</b>		
	a) Secured, considered good	-	34.45
	b) Unsecured, considered good	-	-
	c) Doubtful	-	-
2	<b>Others</b>		
	a) Secured, considered good	603.37	491.43
	b) Unsecured, considered good	-	-
	c) Doubtful	-	-
	<b>Total</b>	<b>603.37</b>	<b>525.87</b>

**Trade Receivables ageing schedule as at 31st March,2022**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	more then 3 Years	Total
(i) Undisputed Trade receivables -considered good	590.04	10.83	2.06	0.44	-	603.37
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

**Trade Receivables ageing schedule as at 31st March,2021**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	more then 3 Years	Total
(i) Undisputed Trade receivables -considered good	414.37	108.51	2.99	-	-	525.87
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

**Note 14 : Cash and bank balances**

	Particulars	31st March, 2022	31st March, 2021
1	Cash on hand	4.53	1.67
2	Bank Account	4.31	2.46
	<b>Total</b>	<b>8.84</b>	<b>4.13</b>

**Note 15 : Short terms loans and advances**

	Particulars	31st March, 2022	31st March, 2021
1	GST Input Tax Credit	17.94	1.68
2	Self Assesment Tax FY 2020-21 (AY 2021-22)	6.34	-
3	TDS FY 2021-22 (AY 2022-23)	0.46	-
4	<b>Others</b>		
	Advance to Creditors	23.65	37.80
	Prepaid Expenses	0.08	0.03
	Custom Duty Credit Scrips	12.96	-
	<b>Total</b>	<b>61.43</b>	<b>39.51</b>

**Shine Fashions (India) Limited**  
**CIN: L17299MH2019PLC330440**  
**Consolidated Notes Forming Part of Statement of Profit & Loss**

(Rupees in Lacs)

**Note 16 : Revenue from operations**

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Sales of products	1,208.29	688.07
2	Job Works Income	67.20	-
	<b>Total</b>	<b>1,275.49</b>	<b>688.07</b>

**Note 17 : Other income**

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Foreign Exchange Gain/Loss	3.97	4.64
2	Interest On Fd	0.05	0.00
4	License Gain	7.77	0.38
5	Discount	0.11	-
	<b>Total</b>	<b>11.90</b>	<b>5.02</b>

**Note 18 : Purchase of stock in trade**

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Purchase of stock in trade	1,154.47	620.58
	<b>Total</b>	<b>1,154.47</b>	<b>620.58</b>

**Note 19 : Change in inventories**

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Stock at the Beginning of the Year	36.86	41.42
	Stock at the Ending of the Year	38.01	36.86
	<b>Total</b>	<b>(1.15)</b>	<b>4.56</b>

**Note 20 : Employment benefit expenses**

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Salaries and Incentive	14.13	6.96
	Director remuneration	12.68	10.00
	Staff Welfare	0.61	0.39
	<b>Total</b>	<b>27.42</b>	<b>17.35</b>

**Note 21 : Financial cost**

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Bank Charges	0.97	1.37
2	Interest on CC Bank Account	5.76	0.51
	<b>Total</b>	<b>6.73</b>	<b>1.88</b>

**Note 22 : Depreciation and amortisation cost**

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Amortization of Goodwill	0.81	0.81
2	Depreciation on Tangible Assets	0.66	0.15
	<b>Total</b>	<b>1.47</b>	<b>0.96</b>

**Note 23 : Other expenses**

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Job work on textile products	7.49	2.71
2	Freight	11.24	6.89
3	Stores, consumables and packing materials	5.51	0.98
4	Listing Expenses	2.06	-
5	Audit Fees	0.60	0.60

6	Office Expenses	0.81	0.28
7	Legal & Professional Fees	2.37	1.41
8	Electricity Expenses	2.60	0.16
9	Statutory fees & taxes	0.09	0.14
10	Travelling Expense	1.71	1.07
11	Telephone and internet expenses	0.20	0.09
12	Rent	7.32	5.74
13	Repairs & Maintenance	0.45	0.03
14	Printing & Stationery	0.10	0.62
15	Miscellaneous Expenses	0.00	0.01
16	Late Fees	0.04	-
17	Loading and Unloading Charges	1.28	-
18	Business Promotion	0.10	-
19	Accounting Charges	-	0.18
20	Prior period expense	-	0.68
	<b>Total</b>	<b>43.97</b>	<b>21.59</b>

**Note 24 : Earning per share**

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Net profit after tax	39.81	22.96
2	Weighted average number of equity shares	27,98,000	23,32,500
	<b>Earning per share (face value of Rs.5/- fully paid)</b>	<b>1.42</b>	<b>0.98</b>

**Note 25 : Related Parties Disclosure**

Names of related parties and description of relationship :

Name	Nature of Relationship
Anil zaverchand Mehta	Director
Mr. Anish Anil Mehta	Independent Director
Ms. Nidhi Jain	Company Secretary
Shine Fashion (Proprietorship of Binal Anish Mehta)	Entities where KMP/Director have
Nikita Mange	Independent Director
Nikita Shah	Independent Director
Priyank Doshi	Independent Director

RELATED PARTY TRANSACTIONS		
PARTICULARS	31-Mar-22	31-Mar-21
<b>A) TRANSACTIONS DURING THE YEAR</b>		
<u>Directors</u>		
<u>Sitting Fees</u>		
Anil zaverchand Mehta	0.20	-
Nikita Mange	0.05	-
Nikita Shah	0.05	-
Priyank Doshi	0.05	-
<u>Loan from Director</u>		
Mr. Anish Anil Mehta	22.00	
<u>Director Remuneration</u>		
Mr. Anish Anil Mehta	12.00	10.00
<u>Key Managerial Person</u>		
<b>C) Salary Payable</b>		
Nidhi Jain	1.80	0.15
Mrs. Binal Anish Mehta	1.92	-
<u>Relative of Directors</u>		
<b>D) Rent</b>		
Mrs. Indu Anil Mehta	2.86	3.29
<u>CLOSING BALANCE</u>		
<u>Key Management Personnel</u>		
<b>A) Remuneration Payable</b>		
Anil zaverchand Mehta	0.20	-
Nikita Mange	0.05	-
Nikita Shah	0.05	-
Priyank Doshi	0.05	-
Mr. Anish Anil Mehta	0.39	-
<b>C) Relative of Directors</b>		
<u>Rent Payable</u>		
Mrs. Indu Anil Mehta	2.86	1.23

Note No. 26 Financial Ratio

S No.	Ratio	Particulars		March 31, 2022		March 31, 2021		Ratio as on March 31, 2022	Ratio as on March 31, 2021	Variation	Reason (if variation is more than 25%)
		Numerator	Denominator	Numerator	Denominator	Numerator	Denominator				
(a)	Current Ratio	Current Assets- Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale	Current Liability- Short term borrowings + Trade Payables + Other financial Liability- Current tax (Liabilities) + Contract Liabilities- Provisions + Other Current Liability	715.72	180.14	606.36	111.94	3.97	5.42	0.27	Ratio has improved due to better working capital management.
(b)	Debt-Equity Ratio	Debt= long term borrowing and current maturities of long-term borrowings and redeemable preference shares treated as financial liability	Equity= Equity + Reserve and Surplus	17.33	539.97	0.00	500.16	0.03	-	0.00	
(c)	Debt Service Coverage Ratio	Net Operating Income- Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service - Interest & Lease Payments + Principal Repayments	48.02	5.76	25.80	0.51	8.34	50.23	0.83	Debt Service Coverage Ratio of previous year was high because overdraft facility was obtained near the end of financial year. As a result, interest for only 2 months was payable in previous financial year.
(d)	Return on Equity Ratio	Net Income- Net Profits after taxes - Preference Dividend	Shareholder's Equity	39.81	539.97	22.96	500.16	0.07	0.05	-0.61	Ratio has improved due to Increase in Revenue.
(e)	Inventory Turnover Ratio	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	0.00	37.44	0.00	39.14	-	-	0.00	
(f)	Trade Receivables Turnover Ratio	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	1,275.49	564.62	688.07	430.41	2.26	1.60	-0.41	Ratio has improved due to Increase in Revenue.
(g)	Trade Payables Turnover Ratio	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	1,154.47	64.08	620.58	44.44	18.03	13.96	-0.29	Ratio has improved due to better working capital management.
(h)	Net Capital Turnover Ratio	Revenue	Average Working Capital- Average of Current assets - Current liabilities	1,275.49	535.59	688.07	494.42	2.38	1.39	-0.71	Ratio has improved due to increase in revenue and better working capital management.
(i)	Net Profit Ratio	Net Profit	Net Sales	39.81	1,275.49	22.96	688.07	0.03	0.03	0.06	
(j)	Return on Capital Employed	EBIT- Earnings before interest and taxes	Capital Employed- Total Assets - Current Liability	60.24	539.97	26.69	500.16	0.11	0.05	-1.09	Ratio has improved due to increase in revenue and effective control over costs.
(k)	Return on Investment	Net Profit	Net Investment= Net Equity	60.24	539.97	26.69	500.16	0.11	0.05	-1.09	Ratio has improved due to increase in revenue and effective control over costs.



**Shine Fashions (India) Limited**  
**Consolidated Notes Forming Part of the Accounts**

**27 Auditors' Remuneration (excluding GST)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Statutory Audit Fees	0.60	0.60
Reimbursement of Expenses	-	-
<b>Total</b>	<b>0.60</b>	<b>0.60</b>

**28 (a) Earnings in Foreign Currency:**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Export of goods	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**29 Value of Imports Calculated on CIF Basis**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Raw materials	-	-
Stock-in-trade	511.43	344.05
Capital goods	-	-
<b>Total</b>	<b>511.43</b>	<b>344.05</b>

**30 Contingent liability and commitments**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Contingent liabilities (to the extent not provided for)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**31 Segment Reporting**

As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided in terms of Accounting Standard 17 on 'Segment Reporting'.

**32** In the opinion of the Board, Current Assets and Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

**33** Creditors, Debtors (Including Credit Balances) Advances etc, are subject to confirmation and reconciliation.

**34** The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

**35** The Company has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

**36** The Company does not have any transactions with struck-off companies.

**37** The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

**38** The Company does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 ( such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**39** The company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;

1. 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
2. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

40 The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;

1. 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
2. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

41 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

42 The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company has opted to continue with the Section 115BAA regime for the current financial year.

43 The figures of previous year have been regrouped / reclassified wherever necessary.

As per our report of even date  
For Thakur Vaidyanath Aiyar & Co  
Chartered Accountants  
Firm Registration No.: 000038N

For and on Behalf of the Board

Anish A. Mehta	Anil Z. Mehta
Director	Director
DIN: 08560153	DIN: 08560132

C V Parameswar  
Partner  
Membership No.: 011541  
Place: Mumbai  
Date: May 30, 2022

Nidhi Jain	Binal Mehta
Company Secretary	CFO
ACS: 40056	