

INDEPENDENT AUDITORS' REPORT

**To the Members of
Vashishtha Luxury Fashion Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Vashishtha Luxury Fashion Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023 and its profit 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our Auditor's Report thereon.



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

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

Responsibility of Management and Those Charge with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financials position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the other accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements



represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our Report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

Further to our comments in "Annexure 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 purpose 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 and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.



- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) As per information and explanation given by the management, the internal financial controls reporting is not applicable to the Company as condition specified under section 143(3) of the Companies Act, 2013 are satisfied.
- 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company has not entered any long-term contracts including derivative contracts for which there were any material foreseeable losses, as required under the applicable law or Indian Accounting Standards.
 - iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The Management has represented , that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity



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("Funding Parties"), with the understanding , whether recorded in writing or otherwise, that the Company shall, whether , directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries ") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year hence no compliance is required with Section 123 of the Companies Act 2013.

For KUMBHAT & CO
Chartered Accountants
Firm Regn. No. 001609S



Place: Mumbai
Dated: August 25, 2023

Gaurang C. Unadkat
Partner

Mem.No. 131708

UDIN: 23131708BGWHHG9086

Annexure "A" to the Independent Auditor's Report

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a phased program of physical verification of Property, Plant and Equipment so to cover all the assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
- (ii) (a) As explained to us, the physical verification of inventory has been conducted by the Management in accordance with the phased programme of verification which, In our opinion, is reasonable and no material discrepancies were noticed on such verification and the discrepancies noticed on physical verification for each class of inventory have been properly dealt with in the books of accounts.
- (b) The Company has not been sanctioned working capital limits in excess of 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 the information and explanations given to us, during the year, the Company has neither made any investments in, companies, firms, Limited Liability Partnerships, and nor granted unsecured loans to other parties. Further, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable.
- (iv) According to the information and explanations given to us, the Company has not granted any loans, made investment or provided guarantee, which are covered by the provisions of Section 185 and 186 of the Companies Act 2013. Hence, reporting under Clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or money deemed to be deposits from the public. Accordingly, Clause 3(v) of the Order is not applicable.
- (vi) The Cost records prescribed under Section 148(1) of the Act are not applicable to the Company and hence Clause 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Custom duty, Excise duty, value added tax, cess and other statutory dues as applicable with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income tax, Sales Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they become payable.

(b) There were no statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2023 on account of any dispute.



- (viii) There were no 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 information and explanation given to us, the Company has not taken defaulted in repayment of loans or interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to information and explanation given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) In our opinion and according to information and explanation given to us, the Company has not raised any moneys by way of initial Public Offer or further public offer (including debt instruments) during the year. Accordingly, Clause 3(x) (a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x) (b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.



- (b) No report under sub-section (12) of section 143 of the Companies 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.
- (c) According to information and explanations given to us there were no whistle blower complaints received by the Company during the year.
- (xii) As the Company is not Nidhi Company, the reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv)
- (a) In our opinion and according to the information and explanations given to us, during the year provisions of section 138 relating to Internal Audit System are not applicable to Company, hence, reporting under clause 3(xiv)(a) and (b) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi) (a), (b), (c) and (d) of the Order are not applicable to the Company.
- (xvii) The Company has not incurred cash loss during the current financial year and during the immediately preceding financial year.
- (xviii) There has been no resignation of the Statutory Auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge



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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) Currently Provisions of Section 135(5) of the Companies Act, relating to Corporate Social Responsibility spending, are not applicable to the Company, hence the reporting under clause 3(xx) of the Order is not applicable.
- (xxi) There are no qualifications or adverse remarks by the auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For KUMBHAT & CO
Chartered Accountants
Firm Regn. No. 001609S



A handwritten signature in black ink, appearing to read "Gaurang C. Unadkat".

Gaurang C. Unadkat
Partner

Place: Mumbai

Dated: August 25, 2023

Mem.No. 131708

UDIN: 23131708BGWHHG9086

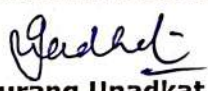
Vashishtha Luxury Fashion Limited
Balance Sheet as at March 31, 2023

(Rs. In lakhs)

PARTICULARS	Note	(Amt in Rs.) As at 31.03.2023
I. EQUITY AND LIABILITIES		
(1) Shareholders' Funds		
a. Share Capital	2	111.30
b. Reserve and surplus	3	97.29
		208.60
Non-current liabilities		
a. Long -term borrowing	4	51.93
b. Deferred tax liabilities (net)		0.91
		52.84
CURRENT LIABILITIES		
a. Short Term Borrowings	5	291.64
b. Trade payables	6	
(i) Due to Micro & Small Enterprises		0.00
(ii) Others		219.73
c. Other current liabilities	7	11.44
d. Short Term Provisions	8	8.68
		531.49
		792.92
Total		
II. ASSETS:		
NON CURRENT ASSETS		
a. Fixed Assets	9	
(i) Property, Plants and Equipment		421.48
		421.48
b. Non-current investments	10	142.42
		142.42
CURRENT ASSETS		
b. Inventories	11	14.53
c. Trade receivables	12	168.77
d. Cash and cash equivalent	13	0.01
e. Short Term Loans and Advances	14	45.71
f. Other current Assets	15	0.00
		229.02
		792.92
Total		
Significant Accounting Policies	1	
Notes on Accounts	2 to 32	

As per our attached report of even date

For Kumbhat & Co.
Chartered Accountants


Gaurang Unadkat
Partner
Membership No. 131708



Place : Mumbai
Date: Aug. 25, 2023

For Vashishtha Luxury Fashion Limited
Vashishtha Luxury Fashions Ltd


Mustak Odiya
Director
DIN:08202757


Ravindra Dilip Dhareshivkar
Director
DIN:08202758

Place : Mumbai
Date: Aug. 25, 2023

Vashishtha Luxury Fashion Limited

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

	Particulars	Note	For the period ended on 31.03.2023 (Rs. in lakhs)
	Revenue From Operations		
I	Revenue From Operations	16	402.05
II	Other Income	17	74.03
III	Total revenue (I)		476.08
IV	EXPENDITURE :		
	Cost of Material Consumed	18	180.18
	(Increase)/Decrease in stock	19	5.47
	Employee Benefits Expenses	20	77.45
	Depreciation	9	14.45
	Finance Cost	21	13.16
	Other Expense	22	54.13
V	Total expenses (II)		344.84
VI	Profit Before Tax		131.24
VII	Tax Expenses		
	(1) Current Tax		33.03
	(2) Deferred Tax		0.91
VIII	Profit (Loss) for the Year		97.29
	(1) Basic		11.67
	(2) Diluted		11.67
	Significant Accounting Policies	1	
	Notes on Accounts	2 to 32	

As per our attached report of even date
For Kumbhat & Co.
Chartered Accountants


Gaurang Unadkat
Partner
Membership No. 131708



Place : Mumbai
Date: Aug. 25, 2023

For and behalf of the Board of
Vashishtha Luxury Fashions Ltd
For Vashishtha Luxury Fashion Limited


Mustak Odiya
Director
DIN:08202757


Ravindra Dilip Dhareshivkar
Director
DIN:08202758

Place : Mumbai
Date: Aug. 25, 2023

Vashishtha Luxury Fashion Limited

Cash flow statement for the period ended 31st March 2023

Particulars	31.03.2023
Cash flow from operating activities	
Profit/(loss) before tax	131.24
Non-cash adjustments to reconcile profit before tax to net cash flows	
Depreciation	14.45
Finance Cost	13.16
Operating profit/(loss) before working capital changes	158.84
Movements in working capital:	
Increase/(decrease) in short term borrowings	291.64
Increase/(decrease) in trade payables	219.73
Increase/(decrease) in other current liabilities	11.44
Increase/(decrease) in short term provision	8.68
Decrease/(increase) in inventories	-14.53
Decrease/(increase) in trade receivables	-168.77
Decrease/(increase) in short-term loans and advances	-45.71
Decrease/(increase) in long-term loans and advances	0.00
Decrease/(increase) in Other Current Assets	0.00
Cash generated from Operations	461.32
Direct taxes paid	-33.03
Net Cash from Operating Activities (A)	428.29
Cash flows from investing activities	
Sale/(Purchase) of Fixed Assets	-435.92
Sale/(Purchase) of Investments	-142.42
Net cash flow from/(used in) investing activities (B)	-578.35
Cash flow from financing activities	
Acceptance / Repayment of Loans	51.93
Finance Cost	-13.16
Share Capital Introduced	111.30
Tax on Dividend	0.00
Net cash flow from/(used in) financing activities (C)	150.07
Net increase/(decrease) in cash and cash equivalents (A+B+C)	0.01
Cash and cash equivalents at the beginning of the year	0.00
Cash and cash equivalents at the end of the year	0.01

As per our attached report of even date

For Kumbhat & Co.
Chartered Accountants



Gaurang C.Unadkat
Partner
Membership No. 131708

Place : Mumbai
Date: Aug. 25, 2023

For and on behalf of the Board of
Vashishtha Luxury Fashion Limited

Mustak Odiya **Ravindra Dilip**
Director **Dhareshivkar**
DIN:08202757 DIN:08202758

Place : Mumbai
Date: Aug. 25, 2023

Vashishtha Luxury Fashion Limited
Note on Financial Statements As At March 31, 2023

PARTICULARS	As at 31.03.2023
<u>NOTE NO. 2 :- SHARE CAPITAL</u>	
Authorised Share Capital 50,00,000 Equity Shares of Rs 10 /- each	500.00
Issued Subscribed and paid up Share Capital 11,13,024 Equity Shares of Rs 10 /- each fully paid up	111.30
	111.30

NOTE 2.1: Reconciliation of No. of shares Outstanding at the beginning & at the end of the reporting period

	As at March 31, 2023	
	No.	Rs.
At the beginning of the period	-	-
Add: Equity Shares allotted against the partners' Capital	1,113,024	111.30
Outstanding at the end of the year	1,113,024	111.30

NOTE 2.2: The details of shareholders holding of more than 5% of the aggregate shares of the Company

	As at March 31, 2023	
Name of the Shareholders	No. of Shares held	%
Mustak Basirbhai Odiya (Promoter)	368,749	33.13%
Ravindra Dilip Dhareshivkar (Promoter)	744,275	66.87%
Total	1,113,024	100%

Terms/Rights to Equity Shares

- (a) The company has only one class of shares i.e. Equity Share
(b) All equity shares rank pari-pasu and carry equal right respect to voting and dividend. In the event of liquidation of the company the equity shares holder shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.
(c) Out of the above, 11,08,024 equity Shares of Face Value Rs. 10/- each were issued for consideration other than cash.

NOTE NO. 3 :- RESERVES AND SURPLUS

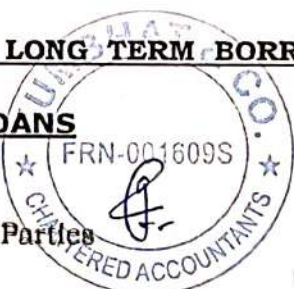
Profit and Loss Account

Opening balance	0.00
Add : Profit during the period	97.29
Balance at the end of the year	97.29
	97.29

NOTE NO. 4 :- LONG TERM BORROWING

UNSECURED LOANS

(a) From Banks	4.44
(b) From Related Parties	47.49
	51.93



For Vashishtha Luxury Fashion Limited

[Signature]

[Signature]
Director

Vashishtha Luxury Fashion Limited
Note on Financial Statements As At March 31, 2023

PARTICULARS					As at 31.03.2023
NOTE '5' : Short Term Borrowings					
(a) Loan Repayable on Demand					
From Bank (Bank Overdraft)					279.87
(secured by exclusive charge on current asset of the company and equitable mortgage on the Office premises of the Company)					
(b) UNSECURED LOANS					
From Banks					11.77
					291.64
NOTE '6' : TRADE PAYABLE					
Dues to MSME					0.00
Other Payables					219.73
					219.73
Trade Payable ageing schedule as at March 31, 2023					
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	
MSME	0.00	0.00	0.00	0.00	0.00
Others	121.98	10.38	11.18	76.17	219.73
Dispute dues-MSME	0.00	0.00	0.00	0.00	0.00
Dispute dues	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00
NOTE '7' Other current liabilities					
Duties and Taxes					-0.06
Salary Payable					8.99
Other Payables					2.50
					11.44
NOTE '8' Short Term Provisions					
Audit Fees Payable					1.50
Provision for Gratuity					7.18
					8.68
NOTE '10' Non-current investments					
Investment in Shares					10.48
Investment in Property					131.94
					142.42
NOTE '11' INVENTORIES					
Finished Goods					14.53
					14.53
NOTE '12' TRADE RECEIVABLES					
- Over Six months from the due date					9.14
- Others					159.63
					168.77

For Vashishtha Luxury Fashion Limited

Director



Vashishtha Luxury Fashion Limited
Note on Financial Statements As At March 31, 2023

PARTICULARS

**As at
31.03.2023**

Trade Receivables ageing schedule as at 31st March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed trade receivables - considered good	159.63	0.15	0.04	8.95		168.77
Undisputed trade receivables - credit impaired						-
Disputed trade receivables - considered good						-
Disputed trade receivables - credit impaired						

NOTE '13' CASH AND CASH EQUIVALENT

Cash on hand	0.01
Balance with Bank in Current Account	
Deutsche Bank A/c - 000023316700019	0.00
HDFC	
	0.01

NOTE '14' Short Term Loans and Advances

Balance with Revenue Authorities	25.25
Loan to Employees	1.15
Other Loans and Advances	19.31
	45.71

NOTE '15' OTHER CURRENT ASSETS

Prepaid Expenses	-
	-



For Vashishtha Luxury Fashion Limited

[Signature]

[Signature]
Director

Vashishtha Luxury Fashion Limited
Notes On Financial Statements For The Year Ended 31st March, 2023

Note No. 9
(Rs. in lakhs)

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As on 07/09/2022	Addition during the year	Deductions during the year	As at 31/03/2023	Total up to 31/03/2022	Deduction/ Adjustment during the year	Provided for the year	Total up to 31/03/2023	Total as on 31/03/2023
Building	415.65			415.65			10.80	10.80	404.85
Plant & Machinery	3.60			3.60			0.44	0.44	3.16
Office Equipments	3.67			3.67			0.88	0.88	2.78
Computer	2.64	0.01		2.65			0.89	0.89	1.76
Furniture & Fixtures	10.36		0.00	10.36			1.43	1.43	8.93
TOTAL	435.91	0.01	0.00	435.92	0.00	0.00	14.45	14.45	421.48



For Vashishtha Luxury Fashion Limited

[Signature]

[Signature]
Director

Vashishtha Luxury Fashion Limited

Notes on Financial Statements for the year ended on March 31, 2023

	For the year ended 31.03.2023
<u>NOTE '16' REVENUE FROM OPERATIONS</u>	
<u>Sales</u>	
Sale of Goods	402.05
	402.05
<u>Note'17' OTHER INCOME</u>	
Foreign Exchange Gain	2.21
Dividend	0.08
Rent Received	7.70
Miscellaneous Income	0.05
Amount Written back	63.99
	74.03
<u>Note'18' Cost of Material Consumed</u>	
Purchases of Raw Materials	180.18
	180.18
<u>Note'19' (INCREASE)/DECREASE IN STOCK</u>	
Opening Stock of WIP and Finished Goods	19.99
Less: Closing Stock of WIP and Finished Goods	14.53
	5.47
<u>Note'20' Employee Benefits Expenses</u>	
Salary exps	48.26
Remuneration to Directors	21.00
Staff Welfare	1.01
Gratuity	7.18
	77.45
<u>Note'21' Finance Cost</u>	
Interest on Loan	12.82
Bank Charges	0.34
	13.16
<u>NOTE '22' OTHER EXPENSES :</u>	
Audit Fees	0.30
Commission Exps	23.48
Courler Charges	9.15
Fuel Exps	3.73
Insurance Charges	0.01
Legal Exps	0.12
Loss on Sale of shares	1.55
Membership Fees	0.18
Misc Exps	0.33
Office Exps	0.65
Printing and Stationery	0.54
Professional Fees	2.63
Rates and Taxes	0.15
Repairs and Maintenance	2.43
Stamping Exps	0.15
Telephone Exps	0.33
Testing Charges	0.03
Travelling Expenses	8.22
Water Charges	0.16
	54.13

For Vashishtha Luxury Fashion Limited



[Signature]

[Signature]
Director

Note 1: Significant Accounting policies to the Restated Financial Statements

Annexure 1.1: Corporate Information:

The Company was originally formed at Partnership Firm in the name and style of **M/s. Vashishtha Export**. The firm was converted from Partnership firm into Limited Company with the name of **Vashishtha Luxury Fashion Limited** with effect from 7th September, 2022 vide CIN U17100MH2022PLC389963. The Company is engaged in the business of creating a distinctive collection with an elegant hand-embroidered appearance, beautiful thread work, a creative fusion of intriguing materials, exciting color combinations, fabric manipulation, prints, etc., all mixed with distinctive beading items.

Place of business:

The place of business of the Company is at 307, 308, 309, Sun Industrial Estate Sun Mill Compound, Lower Parel-West, Mumbai- 400013.

Annexure 1.2: Significant Accounting Policies:

The significant accounting policies followed by the company are stated as below:

i. Basis of preparation of financial statements

- a. The financial statements are prepared under the historical cost convention, in accordance with applicable accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provision of the Companies Act, 2013.
- b. The accounts have been prepared on a going concern basis under historical cost convention.
- c. Accounting policies not specifically referred to otherwise are in consonance with generally accepted accounting principles followed by the Company.

ii. Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and



For Vashishtha Luxury Fashion Limited

Director

disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognised in the periods in which the results are known / materialise.

iii. Property, Plant and Equipment

- a. Fixed assets are carried at cost of acquisition less accumulated depreciation.
- b. The cost of fixed assets comprises the purchase price (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use.

iv. Depreciation:

- a. Depreciation on fixed assets is being provided on Written down value method as per the useful life prescribed in Schedule II of the Companies Act, 2013.
- b. Depreciation in respect of addition to fixed assets is provided on pro-rata basis from month to month in which such assets acquired/installed.
- c. Depreciation on fixed assets sold, discarded or demolished during the year is being provided at their respective rate upto the month in which such assets are sold, discarded or demolished.

v. Investments

Investments are Long-term, unless stated otherwise and are stated at cost except where there is diminution in value other than temporary, in which case a provision is made to the carrying value to recognize the diminution.

vi. Taxation:

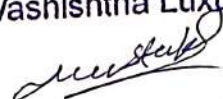
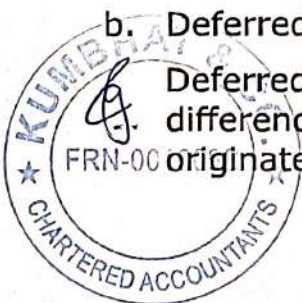
a. Current tax:

Provision for current tax is made on the estimated taxable income at the rate applicable to the relevant assessment year.

b. Deferred tax:

Deferred tax charge or benefit reflects the tax effects of timing differences between accounting income and taxable income, which originate during the year but reverse in subsequent years.

For Vashishtha Luxury Fashion Limited


Director

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the balance sheet date.

vii. Revenue Recognition:

- Sales of Embroidery items are exclusive of GST and are stated net of discounts. Sale is recognized when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods. Returns against sales and price difference are recognized as and when ascertained and are netted from the amount of sales for the year.

viii. Borrowing Cost:

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets.

Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

ix. Current & Non-Current Classification:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set-out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

x. Inventories:

Inventories are valued at the lower of cost (Generally determined on FIFO basis) and Net realizable value. Cost includes all charges in



For Vashishtha Luxury Fashion Limited

Director

bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

xi. Provisions and Contingencies:

- a. A provision is recognised when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management best estimates of the expenditure required to settle the obligation as at the balance sheet date. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate of each such obligation.
- b. A contingent liability is disclosed when there is a possible or present obligation that may, but probably will not require an outflow of resources, unless the possibility of such outflow is remote.
- c. Contingent Assets are neither recognised nor disclosed.

xii. Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company.

Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and unencumbered bank balances and Fixed Deposit with the banks which are short term.

xiii. Earnings per Share:

Basic earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, if any.



For Vashishtha Luxury Fashion Limited

[Signature]

[Signature]
Director

25. Related Parties Transactions

As per Accounting Standard 18, the disclosures of transactions with the related parties are as under:

A. Directors of the Company:

1. Mustak Basirbhai Odiya - Director
2. Ravindra Dilip Dhareshivkar - Director
3. Archana Odiya - Director

B. Key Management Personnel:

- | | |
|--------------------------------|----------|
| 1. Mustak Basirbhai Odiya | Director |
| 2. Ravindra Dilip Dhareshivkar | Director |
| 3. Archana Odiya | Director |

C. Relatives of the Director/s:

- | | |
|------------------|------------------------------------|
| 1. Archana Odiya | Wife of Mr. Mustak Basirbhai Odiya |
|------------------|------------------------------------|

D. Enterprise over which Directors is having significant influence:

1. Vashishtha Embroideries Pvt. Ltd

The following transactions were carried out with the related parties in the ordinary course of business (except reimbursement of actual expenses)

(Rupees in Lakhs)

Particulars	Nature of Transaction	For the period ended on 31/03/2023
A. Key Managerial Person		
1. Mustak Basirbhai Odiya	Remuneration	10.50
	Shares Allotment	36.87
2. Ravindra Dilip Dhareshivkar	Remuneration	10.50
	Shares Allotment	74.43
B. Enterprise over which Directors is having significant influence:		
1. Vashishtha Embroideries Pvt. Ltd.	Loan taken	47.49

26. The company does not allow accumulation of leaves and hence the Company has not obtained actuarial valuation report for leave encashment.



For Vashishtha Luxury Fashion Limited

[Signature]

[Signature]
Director

The particulars as required under the Accounting Standard-AS 15 of Employees Benefits are as under:

i. Defined Contribution Plan:

The Company is having an employee's less than twenty, hence the provision pertaining to Employees Provident Fund is not applicable.

ii. Defined Benefit Plan:

The Company has made a gratuity provision as per the Payment of gratuity Act, 1972 of Rs.7,18,459/ however, no actuarial valuation has been obtained.

27. Dues to Micro & Small Enterprises:

Particulars	For the year ended March 31,2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil
- Principal amount due to micro and small enterprises	
The amounts of payments made to micro and small suppliers beyond the appointed day during each accounting year.	-

On the basis of information and records available with the company, the above disclosures are made in respect of amounts due to the micro and small enterprises, who have registered with the relevant competent authorities.

28. Earnings per share:

The calculations of earnings per share (basic and diluted) are based on the earnings and number of shares as computed below:

	For the year ended March 31,2023
Profit/(Loss) after Tax	97.29
Weighted no. of equity shares	834,680
Earnings per share	
- Basic	11.66
- Diluted	11.66



For Vashishtha Luxury Fashion Limited

[Signature]

[Signature]
Director

29. Deferred Taxation:

(Rs. in Lacs)

	Items of Timing Difference	Accumulated Deferred Tax (Asset) / Liability as on April 1, 2022	Charge/ (credit) for the year	Accumulated Deferred Tax (Asset)/ Liability as on March 31, 2023
Deferred Tax Liability				
i.	WDV of Depreciable assets	-	2.71	2.71
Ii	Gratuity	-	(1.81)	(1.81)
Net Deferred Tax		-	(0.91)	(0.91)

30. Disclosures of Accounting Ratios:

DISCLOSURE OF ACCOUNTING RATIOS AND REASON FOR VARIANCE				
	Particulars	Formula for Computation	Measures (in times / percentage)	For the Year Ended 31 Mar 2023
A	Current Ratio	Current assets / Current liabilities	Times	0.43
B	Debt Equity Ratio	Debt / Net worth	Times	1.65
C	Debt Service Coverage Ratio	EBITDAE / (Finance costs + Principal repayment of long term borrowings within one year)	Times	0.52
D	Return on Equity	Profit after tax / Net worth	Percentage	46.64%
E	Inventory Turnover Ratio	Cost of goods sold / Average inventory	Times	5.08
F	Trade Receivable Turnover Ratio	[Revenue from Sales of products (including excise duty) + Sales of services] / Average gross trade receivables	Times	2.38
G	Trade Payable Turnover Ratio	Purchases / Average trade payables	Times	0.31
H	Net Capital Turnover Ratio	Revenue from operations / working capital	Times	-1.33
I	Net Profit Ratio	Profit after tax / Revenue from operations	Percentage	20.44%
J	Return on Capital Employed (ROCE)	EBIT / Capital employed	Percentage	55%
K	Return on Investment (ROI)	Return on Investment / Cost on Investment	Percentage	-14.04%
Notes				
1	Debt = Non-current borrowings + Current borrowings			
2	Net worth = Paid-up share capital + Reserves created out of profit+ Security premium - Accumulated			
3	Cost of goods sold = Cost of materials consumed + Purchase of stock-in-trade + Changes in inventories			
4	Purchase = Purchase of stock-in-trade + Purchase of Raw Material and packing material			
5	Working Capital = Current assets - Current liabilities			
6	EBIT = Earnings before Interest, tax and exceptional items			
7	Capital employed = Total equity + Non-current borrowings			



For Vashishtha Luxury Fashion Limited

[Signature]
[Signature]
Director

31. Debtors & Creditors balances are subject to confirmation. Adjustments, if any, will be made in the accounts on the receipt of such confirmations.

32. In the opinion of the Board, current assets, loans and advances have a value on realization at least equal to the amount at which they are stated in the accounts.

As per our attached report of even date

**For Kumbhat & Co.
Chartered Accountants**



**Gaurang C. Unadkat
Partner**

Membership No. 131708



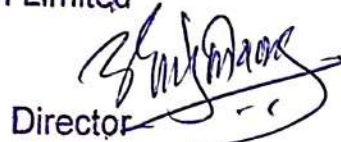
**For and on behalf of the Vashishtha Luxury
Fashion Limited**

For Vashishtha Luxury Fashion Limited



**Mustak Odiya
Director**

DIN:08202757



**Director
Ravindra Dilip
Dhareshivkar
Director**

DIN: 08202758

Place : Mumbai

Date : August 25, 2023

Place : Mumbai

Date : August 25, 2023