

WHITE KNITWEARS PRIVATE LIMITED
Company Identification Number: U18101MH2005PTC157994
Balance Sheet as at 31st March 2025

(Amount Rs. in lakhs)

Particulars	Note No	As At 31st March 2025 Audited	As At 31st March 2024 Audited
ASSETS			
1) Non-Current Assets			
Property, Plant and Equipment	2.1	0.36	0.36
Financial Assets			
i) Investments	2.2	0.10	0.10
ii) Other Financial Assets	2.3	13.74	13.74
Other Non-Current Assets		-	-
		14.20	14.20
2) Current Assets			
Financial Assets			
i) Investments		-	-
ii) Cash & Cash Equivalents	2.4	3.28	2.65
iii) Other Financial Assets		-	-
Other Current Assets	2.5	556.78	556.78
		560.06	559.43
TOTAL ASSETS		574.26	573.63
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	2.6	99.00	99.00
b) Other Equity	2.7	(1,137.55)	(1,071.37)
		(1,038.55)	(972.37)
Liabilities			
1) Non-Current Liabilities			
Financial Liabilities			
Borrowings	2.8	635.00	625.00
Deferred Tax Liability		-	-
Other non - current liabilities	2.9	975.15	918.90
		1,610.15	1,543.90
2) Current Liabilities			
Financial Liabilities			
Trade Payables			
Due to Micro and Small Enterprises		-	-
Other Current Liabilities	2.10	2.66	2.10
		2.66	2.10
TOTAL EQUITY AND LIABILITIES		574.26	573.63

As per our audit report of even date
For and on behalf of
Jain & Trivedi
Chartered Accountants
Registration No. : 113496W

Satish Trivedi
Partner
Membership No. : 38317
Place: Mumbai
Date:



30 APR 2025

For and on behalf of the Board of Directors

Kewalchand P. Jain
Director
DIN:0029730

Hiralal P. Jain
Director
DIN:00949204

Mahendra Sundesha
Director
DIN:01532570
Place: Mumbai
Date:

30 APR 2025

WHITE KNITWEARS PRIVATE LIMITED
Company Identification Number: U18101MH2005PTC157994
Statement of Profit and Loss for the period ended 31st March,2025

(Amount Rs. in lakhs)

Particulars	Note No	For the qtr Ended 31st Mar 2025	For the qtr Ended 31st Dec 2024	For the qtr Ended 31st Mar 2024	For the Period Ended 31st Mar 2025	For the year Ended 31st March 2024
INCOME						
Revenue from operations		-	-	-	-	-
Other Income	2.11	-	-	0.03	-	0.49
		-	-	0.03	-	0.49
EXPENDITURE						
Employee benefit expense	2.12	-	-	0.22	0.22	0.89
Finance costs	2.13	56.25	0.00	56.25	56.25	56.25
Administrative Expenses	2.14	2.09	1.38	6.38	9.71	19.80
		58.34	1.38	62.86	66.18	76.95
Profit before tax		(58.34)	(1.38)	(62.83)	(66.18)	(76.46)
Tax Expense						
Current tax		-	-	0.11	-	0.65
Deferred tax		-	-	(0.10)	-	-
Short/(Excess) provision of tax		-	-	(1.50)	-	(1.50)
Profit/(Loss) for the year		(58.34)	(1.38)	(61.33)	(66.18)	(75.60)
Other Comprehensive Income						-
Total Comprehensive Income for the year		(58.34)	(1.38)	(61.33)	(66.18)	(75.60)
Earning per equity share of Rs. 10 each						
Basic		(5.89)	(0.14)	(6.20)	(6.69)	(7.64)
Diluted		(5.89)	(0.14)	(6.20)	(6.69)	(7.64)

As per our audit report of even date

For and on behalf of the Board of Directors

For and on behalf of

Jain & Trivedi

Chartered Accountants

Registration No. : 113496W

Kewatchand P. Jain

Kewatchand P. Jain

Director

DIN:0029730

Hiralal P. Jain

Hiralal P. Jain

Director

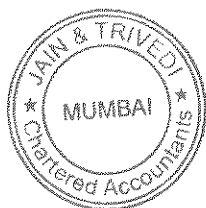
DIN:00949204

Satish Trivedi

Satish Trivedi

Partner

Membership No. : 38317



Mahendra Sundesha

Mahendra Sundesha

Director

DIN:01532570

Place: Mumbai

Date:

30 APR 2025

Place: Mumbai

Date:

30 APR 2025

WHITE KNITWEARS PRIVATE LIMITED
Company Identification Number: U18101MH2005PTC157994
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST DECEMBER 2024

Particulars	For the Period Ended 31st March, 2025 (Amount Rs. in lakhs)		For the Year Ended 31st March, 2024 (Amount Rs. in lakhs)	
	Audited		Audited	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Taxes as per Statement of Profit and Loss		(66.18)		(75.60)
Adjustments for:				
Depreciation/ Amortization	-		-	
(Gain)/Loss on Redemption of units of Mutual Fund (Net)	-		(0.49)	
				(0.49)
Trade Receivable and Other Assets	-	(66.18)		(76.09)
Trade Payables, Liabilities and Provisions	56.81		55.20	
		56.81		55.20
Net Cash Inflow from Operating Activities		(9.37)		(20.89)
Less: Income Tax paid (Net of Refund)		-		-
Net Cash Inflow/(outflow) from Operating Activities		(9.37)		(20.89)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Redemption of Investments- (net of taxes)		-		17.54
Net Cash inflow/(Outflow) from Investing Activities		-		17.54
C. CASH FLOW FROM FINANCING ACTIVITIES				
Loan from Directors		10.00		-
Net Cash Inflow/(Outflow) from Financing Activities		10.00		-
Net Increase/ (Decrease) in Cash & Cash Equivalents		0.63		(3.35)
CASH AND CASH EQUIVALENTS - OPENING		2.65		6.01
		3.28		2.65
Effect of Exchange(Gain)/Loss on Cash and Cash Equivalents		-		-
CASH AND CASH EQUIVALENTS - CLOSING		3.28		2.65

As per our audit report of even date

For and on behalf of

Jain & Trivedi

Chartered Accountants

Registration No. : 113496W

For and on behalf of the Board of Directors

Kewalchand P. Jain

Director

DIN:0029730

Hiralal P. Jain

Director

DIN:00949204

Satish Trivedi



Satish Trivedi

Partner

Membership No. : 38317

Mahendra Sundesha

Mahendra Sundesha

Director

DIN:01532570

Place: Mumbai

Date:

30 APR 2025

Place: Mumbai

Date:

30 APR 2025

WHITE KNITWEARS PRIVATE LIMITED

Company Identification Number: U18101MH2005PTC157994

Notes forming part of the Financial Statements for the period ended 31st March, 2025

(Amount Rs. in lakhs)

Note No	Notes	31st Mar 2025	31st Mar 2024
2.2	Non-Current Investments	31st Mar 2025	31st Mar 2024
	Investments in Government and Trust securities	0.10	0.10
	Total	0.10	0.10
2.3	Other Non-Current Financial Assets	31st Mar 2025	31st Mar 2024
	Security Deposit	13.49	13.49
	Other Advances	0.25	0.25
	Total	13.74	13.74
2.4	Cash and cash equivalents	31st Mar 2025	31st Mar 2024
	Balances with banks		
	In Current Account	3.14	2.49
	Cash on hand	0.14	0.16
	Total	3.28	2.65
2.5	Other Current Assets	31st Mar 2025	31st Mar 2024
	Assets held for sale	551.80	551.80
	Advance given to suppliers	-	-
	VAT Refundable	4.45	4.45
	Duty Drawback Receivable (09-10)	0.47	0.47
	Accrued Interest on NSC	0.06	0.06
	Total	556.78	556.78
2.6	Equity Share Capital	31st Mar 2025	31st Mar 2024
	Authorised Share capital		
	10,00,000 (P.Y. 10,00,000) Equity shares of Rs.10/- each	100.00	100.00
		100.00	100.00
	Issued, subscribed & fully paid up equity share capital		
	990,000 (P.Y. 990,000) Equity shares of Rs.10/- each, fully paid up	99.00	99.00
	Total	99.00	99.00

a) **Reconciliation of the Equity shares outstanding at the beginning**

Equity Shares	31st March 2025		31st March 2024	
	No. of shares	Face value of Shares	No. of shares	Face value of Shares
Shares outstanding at the beginning of the year	9,90	99.00	9,90	99.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	9,90	99.00	9,90	99.00

b) **Details of the shareholders holding more than 5% Equity shares in the company**

Name of Shareholder	31st March 2025		31st March 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Hiralal Jain	1,65,000	16.66	1,65,000	16.66
Javerilal Mehta	1,65,000	16.66	1,65,000	16.66
Meena Sundesha	3,30,000	33.33	3,30,000	33.33
Kewal Kiran Clothing Ltd	3,30,000	33.33	3,30,000	33.33



Material Accounting policies and Notes forming part of the Financial Statements for the period ended 31st March, 2025

I. Company Overview and Significant Accounting Policies:

A. Corporate Information

White Knitwears Private Limited ("the Company") is a Private Limited Company incorporated in India having its registered office at Mumbai, Maharashtra. The Company is engaged into manufacturing, marketing and selling of readymade garments. The Company operates under Surat Apparel Park (SAP) a Special Economic Zone developed by GIDC.

B. Statement of Compliance and Basis of Preparation

(i) Compliance with Ind AS

The financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter, the relevant provisions of the Companies Act, 2013 ("the Act").

(ii) Basis of Preparation and presentation

Basis of Preparation:

The financial statements have been prepared on a historical cost basis, except the following assets and liabilities which have been measured at fair value

- Certain financial assets and liabilities (refer accounting policy regarding financial instruments)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date

Functional and Presentation Currency:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupees and all values are rounded to the nearest Lakh (INR 00,000), except otherwise indicated



C. Summary of Significant Accounting Policies

1.1 Classification of Assets and Liabilities into Current/Non-Current:

The Company has ascertained its operating cycle as twelve months for the purpose of Current/ Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

- a) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
- b) It is held primarily for the purpose of trading; or
- c) It is expected to realise the asset within twelve months after the reporting period; or
- d) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is classified as current if:

- a) It is expected to be settled in the normal operating cycle; or
- b) It is held primarily for the purpose of trading; or
- c) It is due to be settled within twelve months after the reporting period; or
- d) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities as the case may be.

1.2 Property, Plant and Equipment (PPE):

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning. Following initial recognition, items of PPE are carried at its cost less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Cost of an item of PPE includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended



Material Accounting policies and Notes forming part of the Financial Statements for the period ended 31st March, 2025

use and the present value of the expected cost for the dismantling/decommissioning of the asset. Parts (major components) of an item of property, plant and equipment having different useful lives are accounted as separate items of property, plant and equipment. Capital work-in-progress comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance Sheet Date.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE. Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Property, plant and equipment are eliminated from financial statement either on disposal or when retired from active use. Assets held for disposal are stated at net realizable value. Losses arising in case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

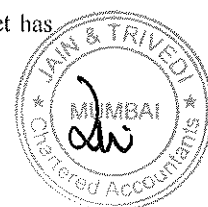
1.3 Expenditure during construction period:

Expenditure / Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress and the same is allocated to the respective PPE on the completion of their construction.

Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under “Other non-current Assets”.

1.4 Depreciation:

- a) Depreciation on the property, plant and equipment (other than freehold land and capital work in progress) is provided on a straight-line method (SLM) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Act except certain class of assets specified in table (i) below, based on internal assessment estimated by the management of the Company, where the useful life is lower than as mentioned in Schedule II.
- b) In case of assets purchased, sold or discarded during the year, depreciation on such assets is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such asset has been sold or discarded.



Material Accounting policies and Notes forming part of the Financial Statements for the period ended 31st March, 2025

- c) Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.
- d) Leasehold lands are amortized over the period of lease or useful life whichever is lower. Buildings constructed on leasehold land are depreciated over its useful life which matches with the useful life mentioned in Schedule II. In cases where building is having useful life greater than the period of lease (where the Company does not have right of renewal), the same is amortized over the lease period of land. Non- Factory Building 60 years

1.5 Intangible Assets and Amortisation:

- a) Intangible assets are recognized only if it is probable that the future economic benefits attributable to asset will flow to the Company and the cost of asset can be measured reliably. Intangible assets are stated at cost of acquisition/development less accumulated amortization and accumulated impairment loss if any.
- b) Cost of an intangible asset includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use.
- c) Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the Balance Sheet date.
- d) Amortisation methods and useful lives are reviewed at each financial year end and adjusted prospectively.
- e) In case of assets purchased during the year, amortization on such assets is calculated on pro-rata basis from the date of such addition.

1.6 Non-Current assets (or disposal Company) classified as held for disposal:

Assets are classified as held for disposal and stated at the lower of carrying amount and fair value less costs to sell.

To classify any Asset as "Asset held for disposal" the asset must be available for immediate sale and its sale must be highly probable. Such assets or Company of assets are presented separately in the Balance Sheet, in the line "Assets held for disposal". Once classified as held for disposal, intangible assets and PPE are no longer amortised or depreciated , but carried at lower of cost or NRV.



1.7 Impairment of Non-Financial Assets:

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.



Material Accounting policies and Notes forming part of the Financial Statements for the period ended 31st March, 2025

1.8 Inventories:

The inventories (including traded goods) are valued at lower of cost and net realizable value after providing for cost of obsolescence wherever considered necessary. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

The cost comprises of costs of purchase, duties and taxes (other than those subsequently recoverable), conversion cost and other costs incurred in bringing the inventories to their present location and condition. Since the Company is in fashion industry with diverse designs / styles, the cost of inventory is determined on the basis of specific identification method (as the same is considered as more suitable).

In case of work in progress and finished goods, the costs of conversion include costs directly related to the units of production and systematic allocation of fixed and variable production overheads. The cost of finished goods also includes excise duty wherever applicable.

1.9 Borrowing Costs:

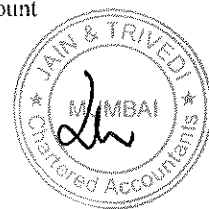
Borrowing costs that are directly attributable to the acquisition, construction or development of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest, amortization of discounts and other costs that an entity incurs in connection with the borrowing of funds.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference shares is recognized in Statement of Profit and Loss as finance costs.

1.10 Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost.



Material Accounting policies and Notes forming part of the Financial Statements for the period ended 31st March, 2025

Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

A contingent asset is disclosed, where an inflow of economic benefits is probable. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

1.11 Revenue Recognition:

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

- a) Sales of goods are recognized when significant risks and rewards of ownership of the goods have passed to the buyer that coincides with delivery and is measured at the fair value of consideration received or receivable taking into account the amount of goods and services tax (GST), sales tax, rebates, trade discounts and sales returns.
- b) Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.
- c) Dividend income on investment is accounted for in the year in which the right to receive the payment is established.
- d) Rental income on assets given under operating lease arrangements is recognized on a straight-line basis over the period of the lease unless the receipts are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.



Material Accounting policies and Notes forming part of the Financial Statements for the period ended 31st March, 2025

1.12 Income Taxes:

- a) Tax expenses comprise of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted against securities premium or retained earnings or other reserves, the corresponding tax effect is also adjusted against the securities premium or retained earnings or other reserves, as the case may be, as per the announcement of Institute of Chartered Accountant of India.
- b) Current Tax is measured on the basis of estimated taxable income for the current accounting period in with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.
- c) Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable

1.13 Earnings per Share:

Basic earnings per share (EPS) are calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split if any.

For the purpose of calculating diluted earnings per share, the net profit or loss (after tax) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.



Material Accounting policies and Notes forming part of the Financial Statements for the period ended 31st March, 2025

Derecognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset (other than specific equity instrument classified as FVOCI) in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.



Material Accounting policies and Notes forming part of the Financial Statements for the period ended 31st March, 2025

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Loans and Borrowings

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends (including Dividend distribution tax) on these preference shares are recognised in Statement of Profit and Loss as finance costs.

1.15 Cash and Cash Equivalents:

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

1.16 Dividend distribution:

Final equity dividends on shares are recorded as a liability on the date of approval by the shareholders and interim equity dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

1.17 Segment Reporting:

Operating segments have been identified taking into account the nature of the products / services, geographical locations, nature of risks and returns, internal organization structure and internal financial reporting system. The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. These operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM").



Material Accounting policies and Notes forming part of the Financial Statements for the period ended 31st March, 2025

1.18 Analytical Ratios:

Ratio	Mar-25	Mar-24
(a) Current ratio	210.50	266.19
(b) Debt-equity ratio	-1.55	-1.59
(c) Debt service coverage ratio	N.A.	N.A.
(d) Return on equity ratio	-1.24	-1.33
(e) Inventory turnover ratio	N.A	N.A
(f) Trade receivables turnover ratio	N.A	N.A
(g) Trade payables turnover ratio	N.A	N.A
(h) Net capital turnover ratio	N.A	N.A
(i) Net profit ratio	N.A	-154.83
(j) Return on capital employed	-0.12	-0.13
(k) Return on investment	N.A.	N.A.

D. Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical judgements and estimates in applying accounting policies:

In the process of applying the Company's accounting policies, management has made the following judgements and estimates, which have the most significant effect on the amounts recognized in the financial statements

1) Borrowings (Redeemable Preference Shares):

The Company has issued Cumulative Redeemable Preference Shares. Under previous GAAP, the preference shares were classified as equity and cumulative dividend payable thereon was treated as contingent liability. Under Ind AS, preference shares are classified as liability based on the terms of the contract and dividend payable on such preference share capital is recognised as finance costs (Also Refer Note 2.13).



Material Accounting policies and Notes forming part of the Financial Statements for the period ended 31st March, 2025

2) Income Taxes:

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions

3) Property, Plant and Equipment:

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life. The useful lives of the Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

4) Fair value measurement of Financial Instruments: Refer Note 2.26



2. NOTES TO ACCOUNTS

2.20 Shareholders Agreement:

There is an agreement amongst Shareholders 1) Mahendra F. Sundesha and Meena M. Sundesha (MF Group) 2) Kewal Kiran Clothing Limited and 3) Hiralal P. Jain and Javerilal P. Mehta (JF Group). The Company had acquired land in Surat SEZ and created building for setting up of production unit for producing knitwear apparels for exports.

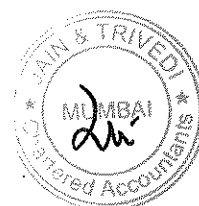
2.21 Status of De-notification of SEZ:

The Company had acquired land in Surat Special Economic Zone (SEZ) and constructed factory building for setting up of manufacturing unit for production of Knitwear Apparels for exports. However due to slowdown in International market, SEZ could not take off and most of the members of SEZ shelved their projects and approached to Gujarat Industrial Development Corporation (GIDC) and State and Central government for de-notification of SEZ.

Gujarat Industrial Development Corporation vide its circular No. GIDC/CIR/Distribution/Policy /13/05 dated 14.03.2013 has de-notified the SEZ and conceded to convert and use the erstwhile land in SEZ as Domestic Tariff Area (DTA) subject to fulfillment of conditions stated therein. The Company vide its letter dated 04.04.13 has consented for de-notification of its plot of land and undertaken to complete the formal procedure for the same. The management is hopeful that the SEZ would be de-notified soon.

Post de-notification, the Company shall dispose of the assets/land & building and realize the proceeds to return it to joint venture partners.

The Company had conducted valuation for the said property through M/s Anmol Sekhri Consultants Pvt. Ltd. and according to their valuation report dated 03rd March , 2025 the value of Land & Building is Rs. 25,29,06,900 / - (Rupees Twenty Five Crore Twenty nine Lacs Six Thousand Nine hundred only.)



Material Accounting policies and Notes forming part of the Financial Statements for the period ended 31st March, 2025

2.22 Related Party Disclosure

Disclosures as per Ind AS 24 – ‘Related Party Disclosures’ are given below:

- a) Related Parties where i) control exists and ii) where significant influence exists (with whom transaction have taken place during the year)

Venturers:

Kewal Kiran Clothing Ltd

Hiralal Jain

Javerilal Mehta

Meena Sundesha

Key Management Personnel:

Kewalchand P. Jain Director

Hiralal P. Jain Director

Mahendra Sundesha Director

Hemant P Jain Director

Javerilal Mehta Director

Meena Sundesha Director

- b) The following transactions were carried out with the related parties in the ordinary course of business:

(Rs. In Lakhs)

Nature of Transaction	Name of Related Party	31 st Mar 2025	31 st Mar 2024
Interest expense on preference share capital	Kewal Kiran Clothing Ltd	28.13	28.13
	Mahendra Sundesha	28.13	28.13
Professional fees	Hiralal Jain	Nil	2.00
Rent Paid	Kewal Kiran Clothing Ltd	0.50	Nil
Loan Taken	Kewalchand P Jain	5.00	Nil
	Mahendra Sundesha	5.00	Nil

Outstanding Balances with related parties:

(Rs. In Lakhs)

Particulars	Related Party	31 st Mar 2025	31 st Mar 2024
Borrowings (Preference Share Capital	Kewal Kiran Clothing Ltd	312.50	312.50
	Mahendra Sundesha	312.50	312.50



Significant Accounting policies and Notes forming part of the Financial Statements for the period ended 31st March, 2025

Following are the Key Managerial Personnel (KMPs) and their relative in accordance with the provisions of the Companies Act, 2013

Name	Designation
Shailesh Singh	Company Secretary (till 30-06-2024)

Disclosure of transactions during the year and year-end balance with above KMP

Managerial Remuneration (Salary): Rs. 22,311/- (P.Y. Rs. 89,244)

Salary Payable outstanding: Rs. Nil (P.Y. Rs. 7,437)

2.23 Auditors Remuneration:

(Rs. In Lakhs)

Particulars	31st Mar 2025	31st March 2024
Audit Fees (Including GST)	0.59	0.53
Taxation Matters	-	-
Other Matters	0.15	0.15

2.24 Depreciation:

The Depreciation has not been provided on Factory Building at Surat as the same is held for sale.

2.25 Income taxes:

Due to losses, provision is not made for Income Tax. Further, in view of inability to assess future taxable income, deferred tax assets which may be adjusted in the subsequent years is not ascertainable at this stage and accordingly the same has not been recognized in these accounts on a prudent basis.

2.26 Fair Value Measurement:

The management assessed that cash and bank balances, trade receivables, trade payables, and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.



Material Accounting policies and Notes forming part of the Financial Statements for the period ended 31st March, 2025

The Company has established the following fair value hierarchy that categorises the values into 3 levels.

The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities.

The fair value of all equity investments and units of mutual funds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The Company's assets and liabilities are measured at amortised cost using Level 3 except financial asset being investments in mutual funds are measured at fair value through profit and loss as per Level 2 hierarchy.

2.27 Financial risk management objectives and policies:

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations.

The Company's principal financial assets include trade and other receivables, investments, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks



Material Accounting policies and Notes forming part of the Financial Statements for the period ended 31st March, 2025

2.28 These financial statements have been prepared in the format prescribed by the Schedule III to the Companies Act, 2013. Previous year figures are regrouped or rearranged wherever considered necessary.

As per our audit report of even date

For and on behalf of the Board of Directors

For and on behalf of

Jain & Trivedi

Chartered Accountants

Registration No. : 113496W

Satish Trivedi

Satish Trivedi

Partner

Membership No. : 38317

Place: Mumbai

Date: 30 APR 2025



Y Kewalchand P. Jain

Kewalchand P. Jain

Director

DIN:0029730

Mahendra Sundesha

Mahendra Sundesha

Director

DIN:01532570

Place: Mumbai

Date: 30 APR 2025

Hiralal P. Jain

Hiralal P. Jain

Director

DIN:00949204