

To the Members of M/S Starlite Fashions Private Limited**Report on the Audit of Financial Statements for the Financial Year- 2021-22****Opinion**

We have audited the accompanying financial statements of "M/s. Starlite Fashions Private Limited" ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the statement of Profit and Loss Account and the Cash Flow Statements of the Company for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles; and "the Profit and Loss Account"; and its "Cash flows" for the year ended on that date.

Other Matter

1. *The company is a wholly owned subsidiary of M/s Starlite Global Enterprises (India) Limited, which holds the total shares of this company; including about 2% of the shareholding (of promoters and others) by way of beneficial interest thereon.*
2. In the present difficult situation going through all over, due to COVID -19, and due to the resultant lockdowns and other disturbances; the entire audit was carried out based on remote access of the data as provided by the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable and are directly generated by the accounting system of the Company without any further manual modifications. We have relied upon the same for the purpose of audit and for report thereon.

Emphasis matter

1. Confirmation of balances in respect of Creditors and for short term borrowings from others (*Refer note.8 & 7*) are not available for verification.
2. Debt-Equity ratio (total of outside Liabilities/net worth) is at 4.63:1 as of March 31, 2022 (*Previous year 7.87:1*)

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 requirement that are relevant to our audit of the financial statements under the provisions of the Companies act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records; relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing 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 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.

Report on other Legal and Regulatory Requirements,

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the 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.

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

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.

- a) 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.
- b) The Balance Sheet, statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- c) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- d) On the basis of written representations received from the Directors as on March 31, 2022, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2022 from being appointed as a Director in terms of Section 164(2) of the Act.
- e) With respect to the adequacy of the "internal financial controls over financial reporting" of the Company and the operating effectiveness of such controls, we give **our report in 'Annexure B**
- f) 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 best of our information and according to the explanations given to us:
 - i) As per the information furnished by the Management, we report that the Company does not have any pending litigations as on the date of Balance sheet, and accordingly the matter as to disclosure of its impact on its financial position does not arise. (Refer Note 25).
 - ii) The Company did not have any long term contracts including derivative contracts, requiring any reporting thereon.
 - iii) There are no amounts which are required to be transferred to the Investor Education and Protection fund by the Company.

Other Regulatory Information

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 does not have any long-term contracts requiring a provision for material foreseeable losses.
- iii) The company does not have any amounts required to be transferred to the Investor Education and Protection Fund.
- iv) The company has not advanced any funds to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than those disclosed in the notes to accounts.

- v) The company has not received any funds from any persons or entities, including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than those disclosed in the notes to accounts.
- vi) The company has not declared or paid any dividend during the year.

**For P.S.IYENGAR and Co.
Chartered Accountants
(Firm Registration No.001174S)**

**Place: Hyderabad
Date: 28-05-2022**

**M. SATYASRINIVAS
Partner
Membership No.206672
UDIN: 22206672AKQRDH6451**

Enclosed: "Annexure A & B" to the Auditor's Report forming part of this Report.

ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT

The "Annexure referred" to in item '6'(Report on Legal and other Regulatory Requirements) of our Independent Auditor's Report to the Members of the Company on the "financial statements" of "M/s. Starlite Fashions Private Limited, (being the Wholly owned Subsidiary of M/s Starlite Global Enterprises India Limited)" for the year ended on March 31, 2022.

- i) The Company does not have any fixed assets with them as on the date of this Balance sheet or as of previous year. Accordingly the reporting under clause as to item (i) (a to c) of CARO- is Nil
- ii) The Company does not have any closing stock as on March 31, 2022 and also as of the end of previous year March 2021: and the stocks purchased during the year under Audit are fully sold in the relevant year itself.

The matters as to physical verification and discrepancies if any there to have its limited applicability in view of the above comments. The Management confirms about exercising necessary controls thereof

- iii) According to the information and explanations given to us; we report that the Company has given advances, and made on account payments, including debits/credits for expenses; to M/s Starlite Global Enterprises (India) Limited (*being The Holding Company and related party*); as covered in the register maintained u/s 189 of Companies Act 2013 (*"the Act"*); on interest terms of 11.50% per annum; and outstanding as on March 31, 2022 are ₹ 644.40 lakhs (*refer note no 16 of balance sheet and note no.26 b(1) and C(2)of notes to Accounts*).

- a. There are no terms and conditions relating to the advances given to Holding Company; and are repayable on demand and is on interest terms as reported above, and is in the nature of a running account; and are not prejudicial to the interest of the company.

- b. *The advances given, and on account payments/receipts made to / from, Holding Company, are not covered by any agreements / terms, and are recoverable on demand and bearing interest as reported above(refer note no 16)*

- c. The advances made being recoverable on demand and are in the nature of running account, no over dues thereof are reported; and accordingly, the clause as to overdue for more than 90 days is not applicable.

- iv) a) In our opinion and according to the information and explanations given to us, the Company has made /given advances and / on account payments/receipts; and certain other debits/credits; to Holding Company "*(Starlite Global Enterprises (India) Limited)*" coming under the purview of Section 185 and 186 of the Act; on interest at 11.50% per annum and are repayable on demand. The loans & advances given to Holding Company during the year under report/repayments thereof; together with opening balances resulting in an outstanding of ₹ 644.40 lakhs as on March 31, 2022; are within the overall lending limits as approved at the Annual General Meeting held on September 30, 2016.

- b) Refer to "item viii" of this report as below regarding deployment of short term borrowings obtained towards giving loans and advances to Holding Company.

- v) The Company has not accepted any deposits from the public.

- vi) In our opinion and according to the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013; for any of the services rendered by the Company.

- vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues of Income tax, TDS, Service tax, Sales Tax, Goods and Service Tax, Customs Duty and Cess as applicable pertaining to the year under audit have been deposited with "appropriate authorities". However, with certain "*delays together with interest there on*" except the one reported below:

GST liability of ₹ 1,57,556/- for Financial year 2021-22 as on March 31, 2022 plus interest till date of remittance. (*refer Note No. 10*).

TDS liability of ₹ 6,82,441/- for Financial year 2021-22 as on March 31, 2022 plus interest till date of remittance. (*refer Note No. 10*).

Income Tax Liability– for the Financial Year 2021-22 of ₹ 5,76,208 (for Financial Year 2020-21 of ₹ 8,78,932/- as on March 31, 2021 plus interest till date of remittance. This amount relates to net of tax liability of ₹ 18,03,038/- (refer note no.17) minus advance tax of 2020-21 financial year of ₹ 2,00,000 and TDS receivable of ₹ 7,24,126) (*refer note No.9*)

- b) The particulars of dues of Income Tax, Sales Tax, wealth tax, Service Tax, value added tax, Excise Duty and/ or Cess which have not been deposited by the Company on account of a dispute and outstanding thereof are "NIL" as of 31st March 2022 .
- viii) During the year 2021-22, the Company has not obtained any loans from Banks/Financial Institutions, and accordingly the reporting under this clause is NIL.
- a) *In respect of the above clause, the Company has however obtained, short term borrowings from individuals /Body Corporates / HUF; both during the year 2021-22 and in earlier years; on interest at 10%-12% per annum, and are repayable on demand and outstanding thereof as of end March 31, 2022, are ₹520.50 Lakhs (refer note no 7) which are within the Borrowing powers as approved by the Company's Annual General Meeting dated September 30, 2016.*
- The short term Borrowings obtained and outstanding during the year are entirely deployed; (apart from internal accruals and other funds) towards giving loans and advances to the Holding Company, as disclosed in note no 16 of Balance Sheet.*
- b) Reference is made to Note No.9 of Balance Sheet and item No.26(b)(2) and c(4) of Notes to accounts, relating certain expenses of this Company met by the Associate Company M/s Starlite Spintech Limited; and there is no outstanding amount which remains payable as at March 31, 2022.
- ix) The Company didn't raise any money by way of initial public offer or further public offer (including debt instruments)
- x) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
- xi) According to the information and explanation given to us and based on our examination of records of the Company, the Managerial remuneration has been paid "in accordance with Section 197 read with part-II of Schedule V" of the Companies Act, 2013; and as approved at the Annual General Meeting dated November 7, 2020(refer note no 22 and 26 (b)(5).)
- xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.
- xiii) I. According to the information and explanation given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, and the details have been disclosed in the financial statements as required by the applicable accounting standards. (Refer Note No. 26 A-C, of Notes to Accounts).
- II. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- III. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected with them during the year under report.
- IV. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

**For P.S.IYYENGAR and Co.
Chartered Accountants
(Firm Registration No.001174S)**

**Place: Hyderabad
Date: 28-05-2022**

**M. SATYASRINIVAS
Partner
Membership No.206672
UDIN: 22206672AKQRDH6451**

Annexure –B to the Independent Auditors' Report- On Starlite Fashions Private Limited for the year ended on 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") ; and as referred to in paragraph 6 (e) of our Independent Audit Report of even date .**

We have audited the internal financial controls over financial reporting of "M/s Starlite Fashions Private Limited" ("the Company"),(being the Subsidiary of M/s Starlite Global Enterprises (India) Limited) as on March 31, 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 board of Directors of the company 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 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the 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 Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, 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 adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

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, to the best of our information and according to the explanations given to us; 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 on the year ended March 31, 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For P.S.IYENGAR and Co.
Chartered Accountants
(Firm Registration No.001174S)**

**Place: Hyderabad
Date: 28-05-2022**

**M. SATYASRINIVAS
Partner
Membership No.206672
UDIN: 22206672AKQRDH6451**

CARO 2020 REPORT**ANNEXURE(B) REFERRED TO IN PARAGRAPH 1 OF INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF STARLITE FASHIONS PRIVATE LIMITED ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED MARCH 31, 2022.**

In terms of Companies (Auditor's Report) Order 2020, issued by the Central Government of India, in terms of section 143(11) of The Companies Act, 2013 we further report, on the matters specified in paragraph 3 and 4 of the said Order, that:-

- 1) The company do not have any fixed assets, as such this clause is not applicable.
- 2) (i) Physical verification of inventory has been conducted at reasonable intervals by management. In our opinion, the coverage and procedure by the management is appropriate. The aggregate of discrepancies of 10% or more in each class of inventory noticed have been properly dealt with in the books of account.

(ii) This sub clause is not applicable.
- 3) (i) The company has made investments in, provided any guarantee or security granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, LLPs, or any other parties.
 - a) the aggregate amount as on March 31, 2022 was ₹ 6,44,40,147, being the balance outstanding from Holding company viz., Starlite Global Enterprises (India) Limited.
 - b) the terms and conditions are not prejudicial to the interests of the company
 - c) schedule of repayment has not been stipulated,
 - d) the account is running account and it is not overdue for more than 90 days,
 - e) this sub-clause is not applicable in view of the sub-clause c above.
 - f) Except as referred in sub-clause (a) of clause 3 above no other loans were granted or taken or given during the year.
- 4) The company has been maintaining a running account with its Holding company and the balance outstanding as of March 31, 2022 was ₹ 6,44,40,147 within the meaning of sections 185 & 186 of The Companies Act, 2013. The provisions of section 185 and 186 of the Companies Act, 2013 have been duly complied with.
- 5) The company has not accepted any deposits from the public in terms of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- 6) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the products manufactured by the company.
- 7) (i) The company is regular in depositing undisputed statutory dues with appropriate authorities.

(ii) According to records of the company, there are no statutory dues which have not been deposited on account of any dispute.
- 8) There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961;
- 9) This clause is not applicable
- 10) (i) The company has not made any initial public offer during the year.

(ii) The company has not made any preferential allotment or private placement of shares/debentures during the year.
- 11) (i) Based upon the audit procedures performed and information and explanations given to us by the management, we report that no fraud by the company or on the company by its officers/employees have been noticed or reported during the course of our audit.

- (ii) report under sub-Section (12) of Section 143 of the Companies Act has not required to be filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.
- (iii) the auditor has not considered whistle-blower complaints, if any received during the year by the Company.
- 12) The transactions entered into with related parties are in compliance with section 177 & 188 of The Companies Act 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- 13) (i) The company has an internal audit system on its own and the management themselves are closely monitoring the same commensurate with the size and nature of its business.
- 14) The company has not entered into any non-cash transactions with directors or persons connected with directors, during the year.
- 15) (i) The company is not required to be registered under section 45-IA of The Reserve Bank of India Act, 1934. In view of this, sub-clauses (ii), (iii) and (iv) are not applicable.
(ii) the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934.
- 16) The company has not incurred cash losses in the Financial Year and in the immediately preceding Financial Year.
- 17) There has not been any resignation of the statutory auditors during the year.
- 18) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.
- 19) (i) In respect of other than ongoing projects, the company has not transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.
(ii) In respect of other than ongoing projects, the company has not transferred any amount remaining unspent under section (5) of section 135 of Companies Act to special account in compliance with provision of sub section (6) of section 135 of the said Act
- 20) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.
- 21) The company is not a Nidhi Company and as such, this clause is not applicable.

For P.S.IYENGAR and Co.
Chartered Accountants
(Firm Registration No.001174S)

Place: Hyderabad
Date: 28-05-2022

M. SATYASRINIVAS
Partner
Membership No.206672
UDIN: 22206672AKQRDH6451

STARLITE FASHIONS PRIVATE LIMITED
Balance sheet as at March 31, 2022

Particulars	Note No.	31-03-2022	31-03-2021
		₹	₹
ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	2	-	-
(ii) Intangible Assets		-	-
(iii) Capital Work-in-Progress		-	-
(iv) Intangible Assets Under Development		-	-
(b) Non-Current Investments		-	-
(c) Deferred Tax Asset (Net)	3	-	-
(d) Long-Term Loans and Advances		-	-
(e) Other Non-Current Assets	4	1,04,903	1,04,903
(2) Current Assets			
(a) Current Investments			
(b) Inventories	5		
(c) Trade Receivables	6	-	9,93,626
(d) Cash and Cash Equivalents	7	3,13,864	3,32,151
(e) Short-Term Loans and Advances	8	6,44,40,147	8,71,60,835
(f) Other Current Assets	9	12,23,763	9,40,656
TOTAL		6,60,82,677	8,95,32,171
EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	10	55,00,000	55,00,000
(b) Reserves and Surplus	11	62,37,548	45,97,571
(c) Money Received Against Share Warrants		-	-
(d) Share Application Money Pending Allotment		-	-
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	12	-	-
(b) Deferred Tax Liabilities (Net)	13	-	-
(c) Other Long Term Liabilities		-	-
(d) Long-Term Provisions		-	-
(3) Current Liabilities			
(a) Short-Term Borrowings	14	5,20,50,383	7,25,65,295
(b) Trade Payables	15	5,28,606	19,97,567
(c) Other Current Liabilities	16	-	19,87,808
(d) Short-Term Provisions	17	17,66,140	28,83,930
TOTAL		6,60,82,677	8,95,32,171

Summary of significant Accounting Policies

Notes forming an integral part of Financial Statements

As per our report of even date attached

For P.S. IYENGAR & CO.,
Chartered Accountants
Firm Registration No:001174S

For and on behalf of the Board of Directors
of Starlite Fashion Private Limited

M.SATYA SRINIVAS
Partner
Membership No. 206672
UDIN:

Sandeep Patwari
Director
DIN:00253286

Shallaja Patwari
Whole-time Director
DIN:01458166

Place : Hyderabad
Date : 28-05-2022

STARLITE FASHIONS PRIVATE LIMITED
Profit and Loss Account for the year ended March 31, 2022

Particulars		Note No.	31-03-2022	31-03-2021
I	Revenue From Operations	18	27,95,510	35,61,198
II	Other Income	19	99,20,348	2,08,21,781
	Total Revenue		1,27,15,858	2,43,82,979
III	Expenses:			
	Cost of Materials Consumed		-	-
	Purchases of Traded Goods	20	22,69,500	32,13,316
	Changes in Inventories of Finished Goods Work- In-Progress and Stock - In - Trade (Increase)/Decrease	21	-	-
	Employee Benefits Expenses	22	14,49,800	26,88,210
	Finance Costs	23	58,39,233	80,12,351
	Depreciation and Amortization Expenses	24	-	-
	Other Expenses	25	9,41,140	9,76,029
	Total Expenses		1,04,99,674	1,48,89,906
IV	Profit Before Exceptional and Extraordinary Items and Tax		22,16,184	94,93,073
V	Extraordinary Items		-	-
VI	Profit before Tax		22,16,184	94,93,073
Vii	Tax expense:			
	(i) Current Tax		5,76,208	18,03,038
	(ii) Less: MAT Credit Entitlement		-	(6,65,161)
	(iii) Deferred Tax		-	-
	Profit (Loss) for the period		16,39,976	70,24,874
	<i>Summary of Significant Accounting Policies</i>	1		
	<i>Notes forming an integral part of Financial Statements</i>	1-29		

As per our report of even date attached

For P.S. IYYENGAR & CO.,
Chartered Accountants
Firm Registration No:001174S

For and on behalf of the Board of Directors
of Starlite Fashion Private Limited

M.SATYA SRINIVAS
Partner
Membership No. 206672
UDIN:

Sandeep Patwari
Director
DIN:00253286

Shailaja Patwari
Whole-time Director
DIN:01458166

Place : Hyderabad
Date : 28-05-2022

STARLITE FASHIONS PRIVATE LIMITED
Cash Flow Statement for the year ended March 31, 2022

Particulars		March 31, 2022	March 31, 2021
A	CASH FLOW FROM OPERATION ACTIVITES	16,39,976	70,24,874
	Net Profit After tax and Extraordinary Items		
	Adjustments for:		
	Depreciation (Non Cash Transaction)	-	-
	Deferred Tax Liability(Non-Cash Transaction)	-	-
	Profit On sale of Assets-Non Cash Transaction	-	-
	Financial Transaction	58,39,233	80,12,351
	Operating Profit Before Working Capital Change	(i) 74,79,211	1,50,37,225
	Adjustments for:		
	(Increase)/ Decrease in Inventories	-	-
	(Increase)/ Decrease in Trade & Other Receivable	9,93,626	(9,93,626)
	(Increase)/ Decrease in Current Assets	2,24,37,581	(96,75,162)
	(Increase)/ Decrease in Non-Current Assets	-	6,65,162
	(Increase)/ Decrease in Current Liabilities	(45,74,559)	(58,60,212)
	Cash Flow from extraordinary items	1,88,56,648	(1,58,63,838)
	Net Cash Flow from Operating Activities	A (i+ii) 2,63,35,858	(8,26,613)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Cash Flow From Sale of Assets	B -	-
	Cash Flow From Investing Activities	-	-
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Financial Charges	(58,39,233)	(80,12,351)
	Proceeds From Short Term Borrowing	(2,05,14,912)	76,24,975
	Cash Flow From Financing Activities	C (2,63,54,145)	(3,87,376)
	Net Increase/(Decrease) in Cash & Cash Equivalent A+B+C	(18,287)	(2,13,988)
	Cash and Cash Equivalents-Opening Balance	3,32,151	5,46,140
	Cash and Cash Equivalents-Closing Balance	3,13,864	3,32,151
	Cash Surplus & Deficit for the Year	(18,287)	(2,13,988)

As per our report of even date attached
For P.S. IYYENGAR & CO.,
Chartered Accountants
Firm Registration No:001174S

For and on behalf of the Board of Directors
of Starlite Fashion Private Limited

M.SATYA SRINIVAS
Partner
Membership No. 206672
UDIN:

Sandeep Patwari
Director
DIN:00253286

Shailaja Patwari
Whole-time Director
DIN:01458166

Place : Hyderabad
Date : 28-05-2022

NOTES FORMING PART OF ACCOUNTS AS OF MARCH 31, 2022**NOTE NO .1****COMPANY REVIEW:**

The Company was incorporated on 9th July 1999. The Company is a wholly-owned subsidiary of "M/s. Starlite Global Enterprises (India) Limited" (SGEIL) by virtue of the said company (SGEIL) holding 100% share capital of this Company; including 2% holdings of promoters and others, by way of beneficial interest there on .

The Company has commenced its retail operations from October 2010 offering designer/branded garments and other fashion items; and same trading activity is continued as of now.

The Company has taken up in earlier years, the contract for maintenance of TULIP A Block constructed by the Associate Company, with an agreement with them, resulting in yielding additional income by way of maintenance receipts; and the same activity is continued during the year 2020-21 & 2021-22 also, extending the maintenance contract to TULIP B block also.

The company has broad based its activities to augment its income and profits and improve the working funds / net worth in the system; and in line with the same have taken up in the earlier year and also during the year 2021-22: and further the Company has also started in 2020-21 obtaining short term borrowings on interest from Body Corporates/NBFC's/ others, and has been deploying such funds, fully towards making loans and advances only to Holding Company on interest basis the same being continued in 2021-22 also.

SIGNIFICANT ACCOUNTING POLICIES:**A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

The Financial Statements have been prepared on the basis of generally accepted accounting principles which govern the preparation and presentation of such statements, on a going concern concept.

B. REVENUE RECOGNITION:

The Company adheres to mercantile method of accounting and recognizes income and expenditure on accrual basis.

i) Interest paid/credited on short term borrowings obtained ; and interest received on advances given, on account payments/receipts; to/from holding company;both; are accounted separately.

ii)The maintenance income and expenses there against are shown separately in p&l a/c

C. USE OF ESTIMATES:

The preparation of Financial Statements requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as on the date of the financial statements and also as to reported amount of income and expenses during the period. Difference between the actual and estimates are recognized in the year in which the results are known/ materialized.

D. FIXED ASSETS:

The Company does not have any fixed assets with them as on the date of this Balance sheet or as of previous year.

E. DEPRECIATION:

The Company does not have any fixed assets with them as on the date of this Balance sheet or as the end of the previous year, hence this item is not applicable.

F. IMPAIRMENT OF ASSETS:

The Company does not have any fixed assets with them as on the date of this Balance sheet and accordingly the matter as to impairment do not arise. .

G. FOREIGN EXCHANGE TRANSACTIONS:

The Company has not taken up any Foreign Exchange transactions, monetary or otherwise during the year,2020-21

H. INVENTORIES:

The Company does not have any closing stock as of end March 22 and also as of the end of previous year: and the stocks purchased during the year under Audit are fully sold in the relevant year itself.

I. RETIREMENT BENEFITS:

The Company is having only few employees as such the norms as to retirement benefit are not applicable.

J. TAXES ON INCOME AND DEFERRED TAX:

i) There is no Deferred tax liability" on timing difference in respect of depreciation as per Companies Act and Tax Laws: since the Company do not have any fixed assets during the year 2021-22 and as the end of previous year.

ii) INCOME TAX LIABILITY – for F.Y. 2021-22 Rs. 5,76,208/- for as on 31/03/2022 (gross sum) (Plus interest till date of remittance / adjustment), (Refer Note no.17) minus advance tax of 21-22 F.Y of Rs. 0 and TDS receivable of Rs.7,76,035) (refer note No.9) as on the date of Balance sheet and as of the date of this report.

iii) The income tax provision of Rs.5.76 Lakhs (as per Note No.17) is made as per Income tax Act; as per the normal computation, after setting off the MAT credit entitlement as of Rs.0, pertaining to previous year.(Refer Note.No.4)

K. RELATED PARTY DISCLOSURE:

Disclosures of related party transactions as per "AS-18" are made under Note No.25

L. SEGMENT REPORTING:

The Company has three segments of operations during the year 2021-22 ; being(i) retail Sales of Garments and other fashion items (ii) and income from maintenance of flats/apartments; and (iii) interest income in respect of advances to Holding Company. The turnover/ income, under each segment are separately disclosed as per Note No. 27.

As per our report of even date attached
For P.S. IYYENGAR & CO.,
Chartered Accountants
Firm Registration No:001174S

For and on behalf of the Board of Directors
of Starlite Spintech Limited

M.SATYA SRINIVAS
Partner
Membership No. 206672
UDIN: 22206672AKQRDH6451

Sandeep Patwari
Managing Director
DIN:00253286

Sanjay Patwari
Director
DIN:00253330

Place : Hyderabad
Date: 05-09-2022

Note No.3**Deferred Tax Assets**

Particulars	March 31, 2022	March 31, 2021
Opening Deferred Tax		
Adjustment of Timing difference of Depreciation for the year		
Total	-	-

Note No.4**Non-Current Assets**

Particulars	March 31, 2022	March 31, 2021
<u>Unsecured</u>		
Deposit With Airtel	4,000	4,000
Deposit of ACD for electricity Connection	1,00,903	1,00,903
MAT Credit	-	-
Total	1,04,903	1,04,903

Note No.5**Inventories**

Particulars	March 31, 2022	March 31, 2021
	-	-
Total	-	-

Note No.6**Trade Receivables**

Particulars	March 31, 2022	March 31, 2021
Unsecured - Considered Good		
Due for less than six months		-
Receivable against Fixed Assets	-	9,93,626
Total	-	9,93,626

Note No.7**Cash and Bank Balances**

Particulars	March 31, 2022	March 31, 2021
Cash in Hand	26,271	70,261
Balance with Banks	2,87,593	2,61,890
Total	3,13,864	3,32,151

Note No.8**Short Term Loans & Advances**

Particulars	March 31, 2022	March 31, 2021
Advance to Holding Company	6,44,40,147	8,71,60,835
Total	6,44,40,147	8,71,60,835

Loan to Holding company is repayable on demand carrying interest rate @ 11.5% per annum, and is in the nature of current account being balance of credit/ debit during the year.

Note No.9**Other Current Assets**

Particulars	March 31, 2022	March 31, 2021
Unsecured and considered good		
TDS receivable	12,19,953	7,24,106
Advance Tax Paid	-	2,00,000
Receivable against Fixed Assets	-	-
Maintenance receipts Receivable	3,810	16,550
Total	12,23,763	9,40,656

Note No.10**Share Capital**

Particulars	March 31, 2022	March 31, 2021
Authorized:		
15,00,000 Equity Shares of ₹10 each	1,50,00,000	1,50,00,000
Issued, Subscribed and Paid up:		
5,50,000 Equity Shares of ₹10 each, fully paid	55,00,000	55,00,000
Total	55,00,000	55,00,000

A. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Particulars	March 31, 2022		March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
<u>Equity Shares</u>				
Shares Outstanding at the beginning of the year	5,50,000	55,00,000	5,50,000	55,00,000
Add-Shares issued during the year	-	-	-	-
Shares Outstanding at the year end	5,50,000	55,00,000	5,50,000	55,00,000

B. Details of Shareholders holding more than 5% of Shares in the Company are as follows:

Particulars	March 31, 2022		March 31, 2021	
	No. of Shares held	% of Shares held	No. of Shares held	% of Shares held
Starlite Global Enterprises (India) Limited (Holding company)	5,50,000	55,00,000	5,50,000	55,00,000
Total	5,50,000	55,00,000	5,50,000	55,00,000

The Holding company is holding 5,40,000 Shares in its name and remaining 10,000 shares in the name of Mr. Sandeep Patwari (2,500 Shares), Mrs. Shailja Patwari (2,500 Shares), Mr. Sanjay Patwari (500 shares), Mrs. Prachi Patwari (500 shares), Mr. Ram Gopal Patwari (500 shares), Mrs. Chanda Patwari (500 shares), Ms Vedika Patwari (500 shares), Mr. Vedant Patwari (500 shares), Mr. Uddhav Patwari (500 shares), Mrs. Sangeeta Tibrewala (500 shares), Mr. Rajesh Tibrewala (500 shares) and Mr. Mukund Tibrewala (500 shares) who hold these shares on behalf of the Holding Company having no interest of their own.

C. Aggregate number of Shares bought back during the period of five years immediately preceding the reporting date:

Particulars	March 31, 2022	March 31, 2021
	No. of shares	No. of shares
NIL		
Total		

D. Rights attached to Equity Share holders

The Company has only one class of equity shares having a face value of ₹10/- each. Shareholders are entitled to one vote per share.

E. Shares held by Promoters as on March 31, 2022

	Promoters Name	No of Shares	% of total Shares	% of change during the year
1	Starlite Global Enterprises (India) Limited	5,50,000	100	-

Note No.11**Reserve and Surplus**

Particulars	March 31, 2022	March 31, 2021
Surplus in Profit and Loss A/c		
Opening Balance	45,97,571	(24,27,303)
Add: Profit for the year	16,39,976	70,24,874
Total	62,37,548	45,97,571

Note No.12**Long Term Borrowings**

Particulars	March 31, 2022	March 31, 2021
Total	-	-

Note No.13**Deferred Tax Liability**

Particulars	March 31, 2022	March 31, 2021
Net Deferred Tax Liability	-	-

Note No.14**Short Term Borrowings**

Particulars	March 31, 2022	March 31, 2021
UNSECURED		
From Others	5,20,50,383	7,25,65,295
Total	5,20,50,383	7,25,65,295

The amount represents unsecured loans raised by the company for its future business plans from business associates of the Promoters i.e. (Body corporate, HUFs, and Individuals), carrying interest rate varying from 10% to 12% per annum and are repayable on demand. Presently the funds are deployed with its holding company. (Refer Note No -8)

Note No.15**Trade Payable**

Particulars	March 31, 2022	March 31, 2021
For Goods	5,28,606	19,97,567
Total	5,28,606	19,97,567

Ageing Schedule (2021-22)

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	-	-	-	-	-
iii) Disputed dues	-	-	-	-	-
MSME	-	-	-	-	-
i) Disputed dues	-	-	-	-	-
Others	-	-	-	-	-

Ageing Schedule (2020-21)

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	
iv) MSME	-	-	-	-	-
v) Others	-	-	-	-	-
vi) Disputed dues	-	-	-	-	-
MSME	-	-	-	-	-
ii) Disputed dues	-	-	-	-	-
Others	-	-	-	-	-

Note No.16**Other Current Liabilities**

Particulars	March 31, 2022	March 31, 2021
SECURED		
Current Maturities of Term loan	-	-
Interest on Term loan (Matured but not due)	-	-
UNSECURED		
Amount Due to Associate Company	-	19,87,808
Advances Received towards sale of Land	-	-
Total	-	19,87,808

Note No.17**Short Term Provisions**

Particulars	March 31, 2022	March 31, 2021
Outstanding Expenses	3,47,631	2,80,578
TDS- Payable	6,82,441	6,80,454
Provision For Income Tax	5,76,208	18,03,038
Audit Fees	1,59,860	1,19,860
Total	17,66,140	28,83,930

Note No.18**Revenue from Operations**

Particulars	March 31, 2022	March 31, 2021
Textiles & Garments Division	27,95,510	35,61,198
Total	27,95,510	35,61,198

The sale are relate to counter sales in cash and are net of GST Under Composite Scheme.

Note No.19
Other Income

Particulars	March 31, 2022	March 31, 2021
Maintenance Income	21,60,000	19,20,000
Interest Received from Holding Company	77,60,348	96,54,741
Profit on Sale of Land	-	92,47,040
Total	99,20,348	2,08,21,781

i) The amount of ₹ 77.60 lakhs refers to the interest received from Holding Company reckoned at 11.5% per annum in respect of on account advances / repayments to/ from; computed on average balances. (Refer note no 8)

ii) The amount of ₹ 21.60 lakhs relate to maintenance income received /receivable by the company from the owners of the TULIP Block A B & C; as per the contract/ arrangement with Associate Company (Starlite Spintech Limited) with the responsibility to maintain the flats.

Note No.20
Purchase of Traded Goods

Particulars	March 31, 2022	March 31, 2021
Purchases	22,69,500	32,13,316
Total	22,69,500	32,13,316

Note No.21
Increase/ Decrease in Inventories

Particulars	March 31, 2022	March 31, 2021
(Valued at cost)		
Closing Stock	-	-
Opening Stock	-	-
Net Decrease	-	-

Note No.22
Employee Benefit Expenses

Particulars	March 31, 2022	March 31, 2021
Salaries	4,29,800	16,88,210
Whole Time Director's Remuneration	10,20,000	10,00,000
Total	14,49,800	26,88,210

The Whole time Directors remuneration has been approved by the members at the Annual General Meeting held on November 7, 2020.

Note No.23
Finance Cost

Particulars	March 31, 2022	March 31, 2021
Interest on delayed payment of GST/TDS	30,621	48,622
Bank Charges	4,215	4,245
Interest on Short Term Borrowings(Refer Note No:6)	58,04,397	79,59,484
Total	58,39,233	80,12,351

The amount of ₹ 79.59 lakhs represents total interest paid /credited at 10% & 12% per annum, on short-term borrowings obtained from Corporates / HUF's and individuals.(Refer note no14)

Note No.24
Depreciation

Particulars	March 31, 2022	March 31, 2021
Depreciation (Refer Note No 10)	-	-
Total	-	-

Note No.25**Administrative & Sales Expenses**

Particulars	March 31, 2022	March 31, 2021
Audit Fees	1,00,000	1,00,000
Professional Charges	17,700	12,000
Maintenance Charges	6,21,975	6,69,142
Debit Balance Written Off	-	1,40,075
Business Promotion Expenses	-	-
GST Paid	2,01,465	54,812
Telephone Expenses	-	-
Registration & Filing Charges	-	-
Total	9,41,140	9,76,029

GST paid on Sales Turnover and on Maintenance received by the company under Composite Scheme

Note No.26**Contingent Liabilities**

S. No.	Particulars	March 31, 2022	March 31, 2021
1	-	-	-

Note No.27**RELATED PARTY DISCLOSURES:****a) Related parties:**

Name of the related party	Designation	Nature of Relationship
Mrs. Shailaja Patwari	Whole-Time Director	Key Managerial personnel
Mr. Sandeep Patwari	Director	Key Managerial personnel
Mr. Sanjay Patwari	Director	Key Managerial personnel
Mr. Ram Gopal Patwari	Director	Key Managerial personnel
M/s Starlite Spintech Limited (SSL)	Associate Company	Associate Company
M/s Starlite Global Enterprises (India) Limited (SGEIL)	Holding Company	Holding Company

b) Transactions during the year

S.No.	Particulars	2021-22	2020-21
1.	Advances and on account payments/ receipts and other debits/credits to /from Holding Company (SGEIL) (net amount thereof; being differences between opening/ closing balances) (Refer Note No - 14)-(includes amounts denoted under items 3 and 4 below)	227.21	104.32
2	Expenses of this company(Maintenance expenses and salaries of staff relating to this activity) incurred by Associate company (SSL), and remains payable; (Note no 16)	6.22	17.83
3	Interest income (net) from Holding Company; on advances given/amounts received ; and in respect of other debits/credits for expenses /others(note no 19)	77.60	96.54
4	Purchase of land from Holding Company (towards trading in land)	0.00	98.47

5	Whole time Directors Remuneration (as per the approvals made at the Annual General Meeting November 7, 2020)	10.20	10.00
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b) Balances Outstanding

(Amounts in lakhs)

S. No.	Particulars	March 31, 2022	March 31, 2021
1.	Holding Company's shareholdings in the paid-up capital of the Company (Refer Note No.10)	55.00	55.00
2	Advances to /vAmounts receivable from Starlite Global Enterprises (India) Limited Holding Company. (Refer Note No.16)	644.40	871.60
3	Part of Whole Time Directors remuneration remaining payable (Note no -17)	1.14	1.74
4	Amounts payable to Starlite Spintech Limited (which includes opening balance) and outstanding at the end of March 31, 2022 (note no 16)	-	19.87

Note No : 27

Segment wise turnover/Net Income (refer to Item L above)

(Amounts in lakhs)

Particulars	March 31, 2022	March 31, 2021
Retail sales/trading in garments	27.96	35.61
Income from maintenance of buildings / Apartments	21.60	19.20
Interest income received /on advances to Holding Company	77.60	96.54
Net Income from purchase/sale of land	0.00	92.47

Note No.30**Basic And Diluted Earnings Per Share**

S No.	Particulars	March 31, 2022	March 31, 2021
I	Net Profit after tax in ₹		
	Basic	16,39,976.261	70,24,874.072
	Diluted	16,39,976.261	70,24,874.072
II	Average Number of Equity Shares outstanding during the year		
	Basic	5,50,000	5,50,000
	Diluted	5,50,000	5,50,000
III	Nominal Value per Share	₹10/- each	₹10/- each
IV	Earnings Per Share		
	Basic (In ₹)	2.98	12.77
	Diluted (In ₹)	2.98	12.77
V	Reconciliation of Basic and Diluted Earnings per Share		-

Note No.30**Financial Ratio**

Sl. No	Particulars	March 31, 2022	March 31, 2021	% Change
1	Current ratio	1.21	1.13	8%
2	Debt Equity Ratio	4.63	7.87	-41%
3	Return on Equity	0.14	0.70	-80%
4	Trade Payables Turnover Ratio	1.80	3.02	-41%
5	Capital Turnover Ratio	0.24	0.35	-32%
6	Net Profit Ratio	0.13	0.29	-55%
7	Return on Capital Employed	0.79	8.42	-91%
8	Return on Investment	0.018	0.088	-79%

Sl. No	Particulars	March 31, 2022	March 31, 2021	% Change
--------	-------------	----------------	----------------	----------

1	Current ratio			
	Current Assets (1)	6,59,77,774.00	8,94,27,628.00	
	Current Liabilities (2)	5,43,45,129.00	7,94,34,600.00	
	Current ratio (1/2)	1.21	1.13	8%
2	Debt Equity Ratio			
	Total Debt (1)	5,43,45,129.00	7,94,34,600.00	
	Shareholder's Equity (2)	1,17,37,548.00	1,00,97,571.00	
	Debt Equity Ratio (1/2)	4.63	7.87	-41%
2.1	Total Debt			
	Total Non-Current Liabilities	-	-	
	Total Current Liabilities	5,43,45,129.00	7,94,34,600.00	
		5,43,45,129.00	7,94,34,600.00	
2.2	Shareholder's Equity			
	Equity share capital	55,00,000.00	55,00,000.00	
	Retained Earnings	62,37,548.00	45,97,571.00	
	Other Components of Equity	-	-	
		1,17,37,548.00	1,00,97,571.00	
3	Return on Equity			
	PAT (1)	16,39,976.00	70,24,874.00	
	Shareholder's Equity(2)	1,17,37,548.00	1,00,97,571.00	
	Return on Equity (1/2)	0.14	0.70	-80%
4	Trade Payables Turnover Ratio			
	Credit Purchases (1)	22,69,500.00	32,13,316.00	
	Average Account Payables (2)	12,63,087.00	10,63,516.00	
	Trade Payables Turnover Ratio (1/2)	1.80	3.02	-41%
4.1	Average Account Payables			
	Opening Account Payables	19,97,567.00	1,29,465.00	
	Closing Account Payables	5,28,606.00	19,97,567.00	
		12,63,086.50	10,63,516.00	
5	Net Capital Turnover Ratio			
	Total Sales (1)	27,95,510.00	35,61,198.00	
	Shareholder's Equity (2)	1,17,37,548.00	1,00,97,571.00	
	Net Capital Turnover Ratio (1/2)	0.24	0.35	-32%
6	Net Profit Ratio			
	PAT (1)	16,39,976.00	70,24,874.00	
	Net Income (2)	1,27,15,858.00	2,43,82,979.00	
	Net Profit Ratio (1/2)	0.13	0.29	-55%
7	Return on Capital employed			
	EBIT(1)	80,20,581.00	1,74,52,557.00	
	Capital Employed (2)	1,00,97,571.00	20,72,697.00	
	Return on Capital employed (1/2)	0.79	8.42	-91%
7.1	EBIT			
	EBITDA	80,20,581.00	1,74,52,557.00	
	Less: Depreciation	-	-	
		80,20,581.00	1,74,52,557.00	
7.2	Capital Employed at the beginning of the year			
	Equity	1,00,97,571.00	20,72,697.00	
	Total Non-Current liabilities	-	-	
		1,00,97,571.00	20,72,697.00	
8	Return on Investment			
	PAT (1)	16,39,976.00	70,24,874.00	
	Total Assets at the beginning of the year	8,95,32,171.00	7,97,42,534.00	
		0.02	0.09	-79%

NOTE NO.28**OTHER DISCLOSURES**

I	In the opinion of the Management, all current assets, loans and advances and other Non-current Assets as on the Balance Sheet date have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
II	There are no dues to Micro, Small and medium enterprises in terms of the relevant Act based on the information available with the Company.

III	Confirmation of balances in respect of Debtors and Creditors and for short term borrowings from others (Refer note.6 &14) are yet to be obtained.
IV	Debt Equity ratio (Total Liability / Shareholders Equity) is at 4.63:1 as of March 31, 2022 (Previous year 7.87:1).The Company is taking steps to improve the ratio.
V	The short term Borrowings obtained and outstanding during the year are entirely deployed:(apart from internal accruals and other funds) towards giving loans and advances to the Holding Company, as disclosed in note no 14 of Balance Sheet.
VI	The stocks of garments and others purchased from time to time during the year are sold fully in the relevant year itself and the inventories as at the close of March, 22 are nil .(refer note no. 5)
VII	The Company do not have any Benami Property, where any proceeding has been initiated or pending against the Company for holding any Benami Property.
VIII	The Company do not have transactions with Companies Struck off.
IX	The Company do not have charges or satisfaction which is yet to be registered with RoC beyond the statutory period.
X	The Company have not advanced or loaned or invested funds of any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding the Intermediary shall: i. 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 ii. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
XI	The Company have not advanced or loaned or invested funds of any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding the Intermediary shall: i. 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 ii. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
XII	The Scheme of Arrangement has not been approved by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013. Therefore, the Company shall not requires to disclose the effect of such scheme of Arrangements which have been accounted for in the books of account of the Company in accordance with the scheme and accordance with accounting standards and deviation in this regard.
XIII	The Company has availed the services of a practicing Company Secretary to ensure compliance to various provisions of the Companies Act, 2013.

9	Audit Fees	March 31, 2022	March 31, 2021
	Statutory Audit Fees	100000	100000
	Total	100000	100000

10	Managerial Remuneration	March 31, 2022	March 31, 2021
	Whole Time Directors Remuneration.(refer note no 22)	10,20,000	10,00,000

As per our report of even date attached
For P.S. IYYENGAR & CO.,
Chartered Accountants
Firm Registration No:001174S

For and on behalf of the Board of Directors
of Starlite Fashion Private Limited

M.SATYA SRINIVAS
Partner
Membership No. 206672
UDIN: 22206672AKQRDH6451

Sandeep Patwari
Director
DIN:00253286

Shailaja Patwari
Whole-time Director
DIN:01458166

Place : Hyderabad
Date : 28-05-2022